Justice and Solicitor General

Annual Report
2015-16

Alberta
Government

Note to Readers:
Copies of the annual report are available on the Justice and Solicitor General website **www.justicesolgen.alberta.ca**

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 20 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Justice and Solicitor General contains the minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- **the financial statements of entities making up the ministry including the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund for which the minister is responsible;**
- **other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report; and**
- **financial information relating to trust funds.**

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2016, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 6, 2016, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Original signed by:

Honourable Kathleen Ganley
Minister of Justice and Solicitor General

MESSAGE FROM HONOURABLE KATHLEEN GANLEY

Over the past 12 months, Justice and Solicitor General has worked extremely hard to ensure Albertans can continue to live, work and raise families in safe and resilient communities and have access to a fair and innovative justice system. I'm proud of my ministry's many and varied accomplishments and am confident the department will continue to provide Albertans with excellent services.

Several pieces of legislation were introduced, including *The Human Rights Amendment Act 2015,* which supports equality for all Albertans. This new law adds gender expression and gender identity as expressly prohibited grounds of discrimination, important protections for all Albertans and particularly the trans and gender variant community. *The Act to Renew Democracy* banned corporate and union donations to political parties, helping ensure parties are focused on the interests of citizens. As well, *The Public Sector Compensation Transparency Act* increases transparency of how tax dollars are spent. The Act requires compensation disclosure for certain employees who work for agencies, boards and commissions, public post-secondary institutions, offices of the Legislature and health service entities.

My ministry is also carrying out a number of excellent projects to further increase access to justice for Albertans. In the criminal courts, my ministry's primary concern is ensuring court cases are heard as quickly as possible while keeping the judiciary, staff and the public safe. To help meet this goal, the Alberta Crown Prosecution Service continues to improve technology use and business intelligence to more effectively use court time and monitor cases. In the family justice system, three working groups are currently focused on developing ideas to ensure our system is more responsive to the needs of all interested parties.

During the past 12 months, Justice and Solicitor General also launched a legal aid review. The goal of the review is to ensure the long-term financial stability and affordability of legal aid while improving service delivery and access to services so that legal aid will continue to be available to those who need it now and in the future. In addition to engaging Legal Aid Alberta, the government consulted with clients and stakeholders such as the Law Society of Alberta, the Criminal Trial Lawyers Association, the Criminal Defence Lawyers Association and community legal clinics. Service providers, courts and government departments were also engaged.

Justice and Solicitor General is also examining ways of enhancing the traffic court system to improve road safety, free up court resources and make it easier for Albertans to pay traffic tickets. The aim is to make the traffic ticket system faster, more accessible, effective and sustainable while ensuring there is a fair process for people to challenge a ticket.

I'm proud to say my ministry is also working to improve the bail system. In August, a former federal prosecutor was chosen to lead the review, and the ministry is now considering the recommendations in her report, '*Alberta Bail Review: Endorsing a Call for Change*.' Many of her recommendations have already been acted upon or work to implement them is underway. The ministry is also consulting with justice system stakeholders on other recommendations.

My ministry remains committed to safe and resilient communities. In 2015-16, the department distributed grants to raise awareness of the dangers of fentanyl and other drugs—we know that illicit drugs continue to impact the lives of many Albertans. The Proceeds of Crime grants helped police agencies throughout the province fund drug prevention and programming with community partners. Our government also restored funding to the Alberta Law Enforcement Response Team (ALERT), an integrated approach to policing organized and serious crime within Alberta. ALERT's mandate includes a focus on disrupting the trafficking of narcotics such as fentanyl.

The Alberta First Responders Radio Communications System (AFRRCS) is nearing completion. This new radio system for first responders is critical to public safety because it will connect the people Albertans count on in an emergency or disaster—law enforcement, fire and ambulance—enabling them to communicate effectively. AFRRCS will have 332 sites stretching across the province. AFRRCS was effectively utilized during the recent wildfires in Fort McMurray.

The Correctional Services division continues to provide culturally-relevant services and programming to help people in custody make healthier life choices. This includes programming specifically focused towards Indigenous people in custody, including Indigenous program coordinators, elders and external agencies to coordinate and facilitate educational, cultural and spiritual programs at various adult and youth correctional centres about topics including substance use, domestic violence and traditional parenting. Providing these educational, cultural and spiritual programs aligns with several recommendations of the Truth and Reconciliation Commission. By providing programs that target the needs of the Indigenous population in custody, we are helping ensure people leaving custody have the tools to succeed in the community.

All of these projects represent a small portion of the important work at Justice and Solicitor General. Thank you to everyone at the ministry for their dedication, talent and skill. I would also like to thank our many partners for their enthusiastic cooperation.

Justice and Solicitor General has made a strong commitment to ensuring Alberta's families have access to outstanding services. I'm looking forward to continuing that work to ensure Alberta's communities remain just and safe places to live.

Original signed by:

Honourable Kathleen Ganley
Minister of Justice and Solicitor General

Management's Responsibility for Reporting

The Ministry of Justice and Solicitor General includes the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of consolidated financial statements and performance results for the ministry rests with the Minister of Justice and Solicitor General. Under the direction of the minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – goals, performance measures and related targets match those included in the ministry's Budget 2015.

As deputy minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Justice and Solicitor General the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities for the ministry I have relied, as necessary, on the executives of the individual entities within the ministry.

Original signed by:

Philip Bryden, Q.C.
Deputy Minister of Justice and Deputy Solicitor General
June 6, 2016

Results Analysis

Ministry Overview

Alberta Crown Prosecution Service Division

The Alberta Crown Prosecution Service (ACPS) is responsible for the prosecution of persons charged with *Criminal Code of Canada*, *Youth Criminal Justice Act* and provincial statute offences. The ACPS also handles criminal appeals in the Court of Appeal of Alberta and the Supreme Court of Canada on behalf of Alberta's Attorney General. Additionally, the ACPS develops criminal law policy for the province and supports criminal law consultation with other provinces, territories and the Government of Canada.

The authority to conduct prosecutions, including all of the discretionary decisions that must be made in every case, originates with the office of the Attorney General. With this role also comes the duty to remain independent. Crown prosecutors are appointed to act for the Attorney General and administer justice at a local level. Through these appointments, the Attorney General empowers agents to perform her prosecutorial duties.

Correctional Services Division

Correctional Services is responsible for effective and efficient custody and supervision of adults and youth under correctional authority, including the facilitation of rehabilitation opportunities. Custody is provided for adults who are remanded or serving a sentence of less than two years and for youth who are remanded or sentenced. Community supervision includes programs such as pre-trial supervision, probation and alternative measures/sanctions for both adults and youth.

Justice Services Division

Justice Services consists of public facing programs and branches that serve Albertans. The division is made up of a number of programs which provide a range of services such as collecting and enforcing court-ordered child, spousal and partner support; collecting *Criminal Code of Canada* fines, Traffic Safety fines, and no-cash bail forfeitures; providing injured Albertans (victims) with compensation for injuries received in accidents involving uninsured or unknown (hit and run) motorists; and reducing crime by taking away money and property acquired by illegal means. The Property Rights Advocate Office is a resource for Albertans seeking information about issues that may affect property rights. The Office of the Chief Medical Examiner provides responsive front-line death investigation and death certification services. These offices carry out legislated functions independently from the department, but operate through this division on other matters. Aboriginal Initiatives is responsible for overseeing the contracted Aboriginal organizations that provide the Aboriginal Court Work Programs, the Aboriginal Justice Strategy Program, and coordinates the provision of *Gladue* reports to the Queen's Bench and Provincial Courts in Alberta. The ministry is party to a tri-partite agreement with the Law Society of Alberta and Legal Aid Alberta (LAA) in the delivery of legal aid to Albertans. Oversight of this agreement and the grant funding provided to LAA is carried out within this division.

Legal Services Division

Legal Services assists the minister in fulfilling the minister's role to provide legal advice to the Premier and Cabinet. With a comprehensive understanding of government's legislative and regulatory frameworks, policy objects and key programs, the division provides legal representation for, and legal advice to, all government departments. The division supports Deputy Ministers and their departments in achieving their objectives and in managing legal risks. The Legislative Counsel Office within the division drafts legislation, regulations and Orders-in-Council.

Ministry Support Services

Ministry Support Services include the minister's office; deputy minister's office; communications; human resource services; the staff training academy; policy and planning; and strategic corporate services. These advisory and support services are provided to the entire ministry to optimize operating efficiency.

Public Security Division

Public Security is responsible for law enforcement, crime prevention, restorative justice, victim services and the Alberta First Responders Radio Communications System (AFRRCS).The division provides oversight and governance of the police, participates in integrated policing initiatives, and delivers supplementary law enforcement including: court security; prisoner transport; traffic safety enforcement; protection of officials and infrastructure; commercial vehicle safety enforcement, and fish and wildlife enforcement.

Resolution and Court Administration Services

Resolution and Court Administration Services (RCAS) provides a broad range of services to help Albertans resolve their legal issues. This includes providing information about legal options, court assistance, dispute resolution services, and administrative and technical support for the Alberta courts. The division also implements policies, programs, and legislative and regulatory initiatives related to a number of areas, including family surrogate, criminal and civil matters.

Agencies, Boards and Commissions

Alberta Human Rights Commission

The Minister of Justice and Solicitor General is responsible for the *Alberta Human Rights Act* (the *Act*), which establishes the Alberta Human Rights Commission and the Human Rights Education and Multiculturalism Fund.

The Alberta Human Rights Commission (the Commission) is an independent commission of the Government of Alberta reporting to the minister. The Commission protects human rights in Alberta by resolving complaints made under the *Act*. Human rights tribunals adjudicate complaints that cannot be resolved. The Commission also works to eliminate discrimination and barriers to full participation in society through education and community engagement.

The Commission is also responsible for overseeing the administration of the Human Rights Education and Multiculturalism Fund on behalf of the Minister of Justice and Solicitor General. Through its grant program, the fund provides financial support to community organizations for projects that foster equality and reduce discrimination. The fund also provides financial support for the Commission's education and engagement initiatives.

The Chief of the Commission and Tribunals (The Chief), Members of the Commission (Tribunal) and the Director of the Commission are appointed through Orders in Council. The Chief is responsible for keeping the minister informed about human rights issues and providing the Members of the Commission with guidance regarding their tribunal hearings and other functions. The Chief also provides both the Director of the Commission and the Director of Education and Engagement with guidance regarding the overall goals and direction of the Commission.

The commission publishes an annual report that summarizes the activities of the Commission.

Alberta Review Board

The Alberta Review Board makes or reviews dispositions concerning any accused person for whom a verdict of "not criminally responsible because of mental disorder" or "unfit to stand trial" is rendered, according to the provisions of the *Criminal Code of Canada*. The board also has the responsibility for determining whether such a person should be subject to a detention order, a conditional discharge, or be granted an absolute discharge. The board members are appointed through Orders in Council.

Criminal Injuries Review Board

The Criminal Injuries Review Board considers requests for reviews of decisions regarding applications for financial benefits for victims of crime under the *Victims of Crime Act*. The board may request experts to assist with a review and has the power to confirm, rescind or vary decisions made by the Director of the Victims of Crime Financial Benefits Program. The board members are appointed through Orders in Council.

Fatality Review Board

The Fatality Review Board is responsible for the review of investigations under the *Fatality Inquiries Act* (the *Act*). The Board determines if there is a need to hold a public fatality inquiry and reviews complaints with respect to misbehaviour, incompetence or neglect of duty by medical examiners or the inability of medical examiners to perform their duties under the *Act*. The board members are appointed through Orders in Council.

Judicial Council

The Judicial Council screens individuals to determine if they are qualified for appointment to the Provincial Court of Alberta. The council is granted jurisdiction to deal with complaints against masters, Provincial Court judges and justices of the peace. The council is composed of six members: two members are appointed by Ministerial Orders and the remaining four members are designated under the *Judicature Act*.

Law Enforcement Review Board

The Law Enforcement Review Board hears appeals from members of the public and from police officers relating to complaints regarding the actions of police officers and those who are not satisfied with the disposition of their complaint by the responsible Chief of Police. The board is established under the *Police Act*. The board also hears appeals relating to peace officer employer authorizations or peace officer appointments cancelled under the *Peace Officer Act*. The board members are appointed through Orders in Council.

Notaries Public Review Committee

The Notaries Public Review Committee, which is composed of three members, advises the Minister of Justice and Solicitor General on appointments of lay notaries public. The committee consists of a member of the Law Society of Alberta, a member of the community and a member of the ministry, who is the secretary. All are appointed by Ministerial Orders under the *Government Organization Act*.

Provincial Court Nominating Committee

The Provincial Court Nominating Committee makes recommendations to the Minister of Justice and Solicitor General on the appointment of individuals to the Provincial Court of Alberta. The Committee is composed of 11 members, eight of whom are appointed by Ministerial Orders and include representatives from the legal profession and members of the public. The remaining three Committee members include the Chief Judge of the Provincial Court of Alberta, the President of the Law Society of Alberta, and the President of the Canadian Bar Association (Alberta Branch) or their representatives. By way of convention, the minister uses this Committee's recommendations in making recommendations to Cabinet for the appointment of new judges.

Rules of Court Committee

The Rules of Court Committee makes recommendations to the Minister of Justice and Solicitor General on the amendments to the Rules of Court made under the *Judicature Act*. The Committee consists of six members: the Chief Justice of Alberta or designate, the Chief Justice of the Court of Queen's Bench or designate, the Chief Judge of the Provincial Court of Alberta or designate, two members appointed on recommendation of the Law Society of Alberta, and one member appointed at the discretion of the minister.

Victims of Crime Programs Committee

The Victims of Crime Programs Committee makes recommendations on grant applications and provides information with respect to programs and services to assist victims of crime. The committee members are appointed by Ministerial Orders.

Results Analysis

Discussion and Analysis of Results

Desired Outcome One

Alberta's communities are safe, secure and resilient

Protecting Albertans and supporting safety at the community level is a primary focus of the ministry. Within the constraints of the current fiscal environment, the ministry has been striving to continuously improve its programs and policies to take a preventative approach to crime and to respond effectively to reduce the impact of crime on Albertans, their families and communities. The ministry has been working collaboratively with other ministries in an effort to ensure that Albertans have access to the right services to meet their needs. The ministry has worked with our partners to share information and ensure our correctional rehabilitation, custody and supervision programs are appropriate given offender needs and risks. With the Fort McMurray wildfires this spring and the evacuation of tens of thousands of Albertans from their homes, the ministry played a key role in maintaining community safety and security. This assistance included the work of Sheriffs manning roadblocks and helping the RCMP evacuate the area, as well as Commercial Vehicle Enforcement sending a mobile command unit to help with operations. In the aftermath of the fires, the ministry will work with government and community partners to support a coordinated recovery effort.

1.1 Together with partners, create innovative policy on community safety issues affecting law enforcement, vulnerable Albertans, including those with addiction and mental health issues, and the justice system.

The ministry is looking into several holistic and innovative projects to address community safety issues affecting vulnerable Albertans. For instance, early discussions have examined the possibility of developing a holistic strategy for a safer Alberta. Other initiatives are being explored to ensure people with addiction issues are not being criminalized unnecessarily.

Justice and Solicitor General has been continuing to look at ways to better assist individuals suffering from mental health issues who have come in contact with the justice system. Training needs for police were examined and a training option was chosen. Mental health training will be offered to police in early 2016-17. The ministry also participated in the Mental Health Review led by Alberta Health and will be continuing to provide support as initiatives stemming from the review are discussed.

A delegation of five Justice and Solicitor General representatives went to Saskatchewan to learn about the Hub model and to investigate its applicability to better coordinate community justice referrals in the province. The Hub facilitates immediate, collaborative and integrated responses through the mobilization of community resources to mitigate identified "acutely elevated risk". This model informs and connects individuals and families to services and supports. The model is being explored in some communities in Alberta, such as the Samson Cree Nation, and it was important for us to understand the benefits and challenges of this community-driven approach to societal issues that can lead to criminality.

1.2 Review the structure and program delivery of organized and serious crime enforcement services within the province to ensure they are responsive to community needs, while effectively managing resources.

Alberta Law Enforcement Response Teams (ALERT) brings together Alberta's integrated policing units to strategically tackle serious and organized crime. A review is being conducted to ensure that ALERT functions in the most effective manner possible to meet the needs of Albertans. Consultation with stakeholders regarding operational definitions and governance structure will be concluding over the coming months.

1.3 Enhance and formalize the processes for information sharing practices between Correctional Services and other enforcement agencies so that intelligence gathered within correctional facilities is shared appropriately to prevent and detect criminal offences.

The Correctional Services Intelligence Unit utilizes Security Intelligence Officers (SIOs) who work in correctional centres and serve important roles in the management of security threat groups and information essential to the security of correctional environments. Much of the intelligence gathered by SIOs provides significant value for internal operations and the law enforcement community. Having built upon existing information sharing arrangements, SIOs have developed several new relationships with federal and provincial law enforcement partners. The unit engages as an active member with the Criminal Intelligence Service Alberta and through this relationship additional initiatives continue to be explored, with the aim of increased information sharing, seizure of institutional contraband and strategies to optimize drug interdiction.

Correctional Services continues to seek out opportunities to appropriately share information with law enforcement partners. Going forward, the program will continue to look at opportunities to enhance the information exchange with law enforcement partners.

1.4 Work with partners to enhance policies and programs to rehabilitate and support individuals involved in the justice system, ensuring the services and supervision provided are responsive, coordinated and consistent; and, that they are appropriate given the needs and risks of varying offender populations.

Justice and Solicitor General is committed to a model of offender supervision that adheres to Risk-Needs-Responsivity (RNR) principles. The RNR framework entails three main principles: matching the level of service to the risk level of the offender, targeting factors related to criminal behavior, and matching the style and mode of intervention to the learning style of the offender. The ministry is partnering with the University of Cincinnati Corrections Institute to support probation officers in applying the RNR principles into their community supervision practices; this includes providing training to Probation Officers throughout the province commencing June 2016.

The offender database, Offender Records and Correctional Administration (ORCA), is utilized to track an offender's program involvement. This system, which was first introduced in the ministry in 2013, allows offender program participation to be tracked and overall programming to be evaluated at a provincial level.

Youth Justice Committees utilize restorative justice processes that encourage the victim, the young person and members of the community to be directly involved in resolving conflict through dialogue and negotiation. Over the past year, the ministry continued to provide training and support to these committees. Mental Health First Aid training was provided to Youth Justice Committees in Edmonton March 12 and 13, 2016 and Calgary March 20 and 21, 2016. Peacemaking Circles Training was also provided in Edmonton January 9 and 10, 2016.

1.5 Work with First Nations partners to develop culturally appropriate crime prevention initiatives.

In past years, the ministry provided limited funding to support two crime prevention coordinators for the Blood Tribe and Lesser Slave Lake Indian Regional Council. The intent of those positions was to develop crime prevention plans for their communities and meet identified objectives. However, funding for these programs did not meet the needs of the First Nations communities. As a result, discussions took place between the First Nations chiefs of police and the ministry, and a plan was developed to provide funding for three crime prevention coordinators (Blood Tribe, Tsuu T'ina Nation and Lakeshore Regional Police Service) to develop and implement meaningful program(s) under the Chief of Police. Justice and Solicitor General has been working with each of those police services in the development of work plans that will best meet the needs of the First Nation communities inclusive of a review and assessment plan. As this is very early in the implementation stage, the development of the work plans will continue into 2016.

Performance Measures

Performance Measure 1.a: Percentage of Albertans who feel safe walking alone in their area after dark.

Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
82%	83%	82%	81%	Not Available	Not Available

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15. Therefore, a target and result are not available for 2015-16.

In 2014-15, most Albertans (81 percent) felt safe walking alone in their neighbourhood after dark. This represents a percentage point decrease from the previous year and is three percentage points below target.

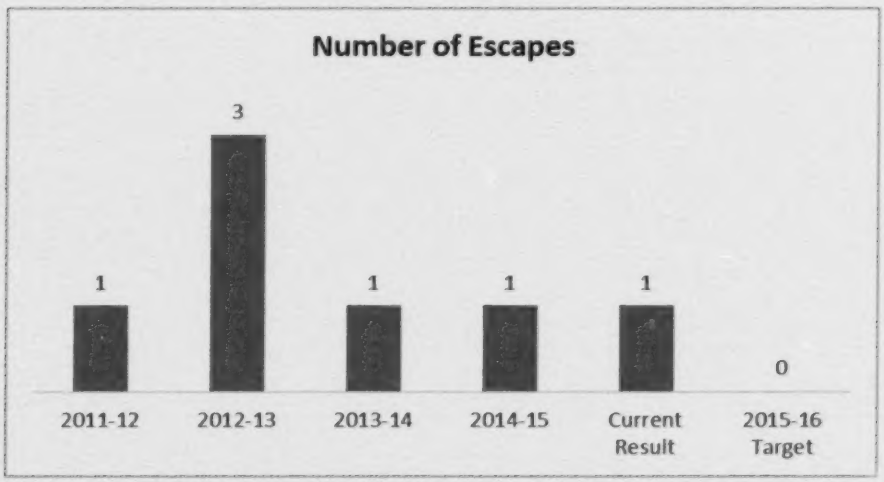
Performance Measure 1.b: Percentage of Albertans satisfied with policing in Alberta over the past 12 months.

Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
86%	81%	83%	81%	Not Available	Not Available

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15. Therefore, a target and result are not available for 2015-16.

In 2014-15, 81 percent of Albertans were satisfied with policing over the past 12 months; this is a decrease of two percentage points from the 2013-14 satisfaction rate (83 percent) and is below the target of 86 percent.

Performance Measure 1.c Number of escapes from secure custody or during transport.



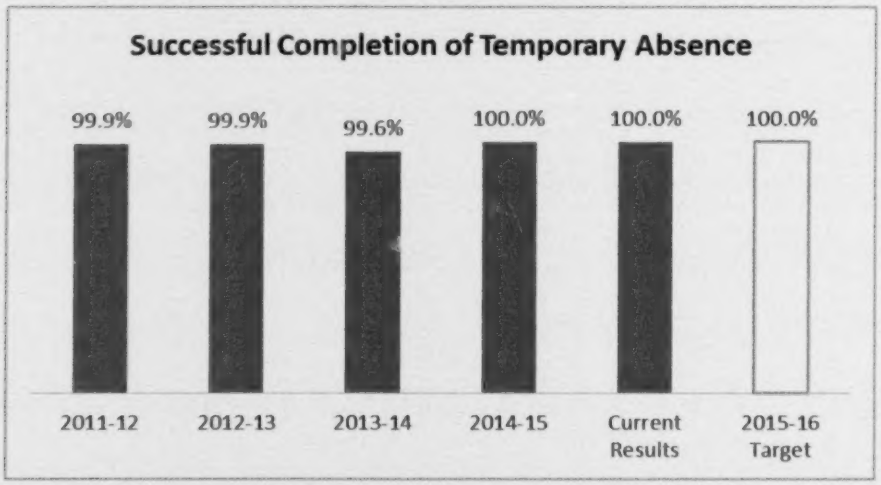
Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
1	3	1	1	1	0

In 2015-16, there was an escape during a medical escort to the Peace River Hospital. In January 2016, an inmate escaped from the Peace River Hospital parking lot with the aid of armed accomplices. The inmate was taken into custody the following day by RCMP in British Columbia. As a result, the performance target was not met as identified in the 2015-18 Business Plan. This result was the same as last year's result.

While no escapes from secure custody are considered acceptable, factors such as the size of custody populations, the number of external movements, and the hardening of the inmate profile can increase the risk for escape. From 2009-10 to 2015-16, the adult custody population has increased by 26 percent (from 2,908 to 3,672). More inmates are being admitted to custody and the average time in custody is also increasing. Additionally, there is an increase in the number of offenders requiring separation as a result of gang affiliations and other complex dynamics such as various health and mental health concerns. The Sheriff's Court Security and Prisoner Transport Section is responsible for transferring offenders for court appearances, out of province escorts, for police services and for transfers between correctional centres. The number of offenders transported by the Sheriffs decreased from 55,461 in 2014-15 to 53,930 in 2015-16.

Staff training, communication of relevant security information, and effective operational policies and procedures are strategies used to reduce the possibility of escape incidents. Conducting video court at the correctional centres has also reduced the necessity to transport inmates away from the centre for some court appearances. The introduction of mandatory skill recertification courses for Correctional Peace Officers and training for the use of collapsible batons enables officers to optimally ensure inmate, officer and public safety while escorting inmates in the community. When an incident does occur, senior management conducts a thorough investigation into the incident and takes further action as needed. For example, a need for more detailed corrections policy on the subject of supervision or management of inmates during medical and community escorts was identified and has been developed.

Performance Measure 1.d: Percentage of offenders successfully completing their sentence while on temporary absence without incurring new criminal charges.



Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
99.9%	99.9%	99.6%	100%	100%	100%

In 2015-16, 100 percent of offenders successfully completed their Temporary Absence Program without incurring new criminal charges. This result is the same as last year's result and met the business plan target of 100 percent. This measure demonstrates the ministry's desired outcome that Alberta's communities are safe, secure and resilient. Successful completion of the temporary absence indicates these offenders are satisfactorily managed in the community while they are involved in constructive activities, and reflects the suitability of the release decision.

The Temporary Absence (TA) Program is a conditional release program that provides low risk offenders with an opportunity to pursue employment, education or rehabilitative programming in the community, when they would have otherwise been incarcerated. Supervision of offenders on release for 15 days or less is provided by correctional centre staff. Offenders released for more than 15 days are supervised by community corrections staff, are required to report to a Probation Officer as directed and receive random telephone calls and home visits conducted by Community Supervision Units to confirm compliance with release conditions. Offenders who fail to comply with any condition of a Temporary Absence Permit may have their permit suspended and be required to return to custody immediately.

The criteria considered before granting an offender a temporary absence has been set in policy. Offenders are selected for the program based on an assessment of their low risk to reoffend. Some of the criteria are: rated as a minimum security risk, not considered a threat to the community, demonstrated acceptable behavior and a positive attitude while incarcerated, and agreement with the conditions of the temporary absence.

The methodology of this performance measure changed in 2015-16. The new methodology focuses on the number of Temporary Absence Programs that ended and the number revoked due to new charges. The previous methodology used data on TAs granted and suspended due to re-offence. This change in methodology was required because of the way the new correctional administrative data system (Offender Records and Correctional Administration, or ORCA) stores information on the progress of the TA program.

Desired Outcome Two

Alberta has a modern justice system that enables timely and appropriate outcomes

The ministry continued to work on improving access to justice by focusing on innovative solutions. With the right resources applied to the right cases, this will help ensure that the adversarial process is available to protect rights in serious cases, while also allowing Albertans access to simpler or better-suited means of dispute resolution where appropriate.

2.1 In partnership with the Alberta Courts and other stakeholders, reform the family justice system in Alberta to make it more open and responsive to providing families with coordinated services to resolve disputes without having to go to court whenever possible, and, when court processes are required, making them less adversarial.

Families are not well-served by a system that is structured to make parents into adversaries rather than partners. And yet, the reality is that while a relationship or a marriage may end, when children are involved, parenting responsibilities never end. The Reforming the Family Justice System (RFJS) initiative recognizes this in the RFJS Theory of Change: "Family justice issues are primarily social, relationship and financial, that contain a legal element." For families, a primarily legal response can exacerbate problems rather than resolve them.

Over the past year, the ministry has worked with collaborators on the priority areas of triage, engaging the public, and education of children and youth regarding conflict resolution. Support has included methods to assist in identifying underlying mental models (leading to a theory of change), support for communications (website tools) and expert advice on design and evaluation (developmental evaluation coaching).

A new guide, "Engaging the Public: Working With, Not For", was developed to assist RFJS collaborators to engage with Albertans. Work with collaborators was undertaken over the past year to develop a new mental model, reimagining a system, which supports a shift in focus from legal and adversarial processes, to well-rounded solutions that support families through the process of their transition, and most importantly, ensure that children are safe and able to thrive.

2.2 Review ticket processing to improve traffic safety while developing a fair, accessible and sustainable process for Albertans to dispute tickets and ensure that resources are effectively utilized.

Traffic Court Reform is currently in the development stage. Public and stakeholder feedback is being reviewed which will assist in making policy decisions in the future. Improvements to current business processes have been identified and documented as part of Traffic Court Reform. Although these improvements support an overall transformation, many can be implemented within the current model to increase efficiency and sustainability in traffic ticket processing. Process improvements will ensure that Albertans receive faster, better service when dealing with traffic tickets, while ensuring resources are effectively utilized.

Work has also been undertaken with the RCMP over the past year to prepare for the implementation of eTicketing technology. This new technology will facilitate the same day uploading of ticket data to the courts, reducing ticket processing time and allowing Albertans to resolve their traffic matters sooner. This new technology will also reduce traffic ticket and data entry errors, which will increase the quality of driving records in Alberta leading to improved traffic safety. RCMP will be the first to launch eTicketing but it is expected that other agencies will adopt similar technology in the future.

The ministry also partnered with Alberta Transportation to eliminate duplicate tickets, a process that has resulted in unnecessary operating costs for court and transportation employees and frustration for Albertans in the past.

2.3 Examine innovative policies, processes and practices for bail/remand, pre-trial supervision and intermittent sentences to focus ministry efforts on supervision of medium and high-risk offenders.

The ministry prepared a proposal setting out more appropriate ways than imprisonment to deal with non-payment of fines which was submitted to and approved by Cabinet. Legislative amendments removing the use of warrants and short-term imprisonment for non-payment of fines passed in spring 2016. The amendments put forward in Bill 9, an act to Modernize Enforcement for Provincial Offences, will relieve pressure on the remand population. The ministry also put together an advisory group consisting of police, corrections staff, Crown prosecutors, and academic representatives to develop a safe approach to address the remand population issues. This group will identify alternative practices for bail diversion, alternatives to incarceration, and will look at preventative programming and associated risk assessment tools to develop options.

A former federal Crown prosecutor was hired to carry out the Alberta Bail Review. The resulting report, *Alberta Bail Review: Endorsing a Call for Change*, was submitted in February 2016 and released to the public on April 29, 2016.

2.4 Explore actions that promote excellence in prosecutions.

In a continuing effort to improve its response to serious and violent offences in a timely manner, the Alberta Crown Prosecution Service is utilizing quantitative and qualitative methodologies to determine sustainable resourcing and equitable and viable caseload distribution. Over the past year, the ACPS Assistant Deputy Minister made in-person visits to Crown locations across the province in order to better understand the issues being faced by Crown prosecutors and to obtain staff input about opportunities for improvement. Case distribution statistics were analyzed to better understand work distribution across the province and to support decision-making regarding appropriate resource allocation. Coalition teams were created as opportunities for front-line engagement in respect of issues of province-wide concern. The coalition teams will review the recommendations of the Independent Review of the Police and Prosecution Response to the Rehtaeh Parsons Case (the *Segal Report*) and assess and revise current guidelines regarding offense classification and time allocation on case files.

Based on the information gathered over the past year, the future creation of strategic initiatives to promote sustainable resourcing and improve resilience must be balanced with current workload demands and the fiscal situation.

2.5 Reduce case processing time by expanding Remote Courtroom Scheduling (RCS) and improving the electronic flow of information.

To improve the electronic flow of information, Justice and Solicitor General has developed a web-based system to manage the receipt and disclosure of electronic prosecution documents between law enforcement, Crown prosecutors and defence counsel. This Criminal e-File system was first implemented in Edmonton on March 9, 2015. Over the past year, the ministry has been working to optimize business processes and identify and address any system performance issues in order to prepare for implementation in Calgary and other prosecutions offices.

The implementation of the Criminal e-File system in Edmonton has resulted in the following:

- The average time to produce disclosure has been reduced from 14 to 4 days;
- More than seven metric tons of paper has been saved;
- Defence counsel is now able to access the docket number for their cases, which allows them to request disclosure more quickly and to perform RCS searches – over 51,000 requests for disclosure were submitted; and
- Disclosure documents and correspondence can be accessed and transferred on any electronic device (as they are prepared electronically or scanned) – over 26,000 files had one or more e-disclosure downloads.

It was intended that the Criminal e-File system would not only be utilized provincially, but could also be used by the Public Prosecutions Service of Canada (PPSC). As a result of recent changes in the Government of Canada policy for information management and technology systems, implementation of Criminal e-File for the PPSC has encountered challenges. Going

forward, PPSC may be limited in their ability to participate in the Criminal e-File project for the purpose of accessing and utilizing police data required for disclosure.

In addition to the challenges encountered with the PPSC, the Criminal e-File initiative also encountered issues with the e-Informations component of the initiative. The goal of the e-Informations component of Criminal e-File is effective, efficient electronic document transfer for the Provincial Court (adult) Criminal Division. Due to staffing shortages and conflicting departmental priorities, there was no capacity to move ahead with the e-Information component of this initiative. This will be re-visited in September 2016.

In addition to the Criminal e-File system, the Crown Dates to Defence system was implemented. This system enables Crown prosecutors' scheduling availability to be provided and updated in real time whenever a booking is completed at the Case Management Office (CMO) or on Remote Court Scheduling (RCS). The system was fully implemented in Calgary on May 8, 2015 and Edmonton January 11, 2016.

2.6 Continue to simplify processes and expand dispute resolution options in Provincial Court to resolve civil claims (small claims) in a timely, cost-effective manner.

The ministry continues to work closely with the Provincial Court of Alberta on the Civil Claims Implementation Project. This initiative will help modernize processes and procedures for civil claims matters in the Provincial Court, and will help improve the delivery of services to Albertans and our stakeholders. It will also help ensure the flexibility to accommodate future innovations or process improvements.

Included among the recommendations is a proposal to provide the Provincial Court with the authority to stream disputed civil claims matters into a resolution track appropriate for and proportionate to the complexity of the case. For less complicated matters, this will involve having the case set down for a simplified trial - ensuring that the matter can be resolved quickly, and avoiding a 'one size fits all' approach. The forms in use for civil claims matters in the Provincial Court will be redrafted using plain-language to help litigants better understand the information they need to provide the court to make or defend a claim.

For Albertans, these changes will help ensure that the full complement of the Court's services and resources are available for those matters that require them, while straight-forward matters which would benefit from early intervention can be identified and then efficiently and effectively resolved.

2.7 Continue to review opportunities to enhance technology to support the management of individuals under correctional jurisdiction.

To ensure the most optimal use of Justice and Solicitor General's Offender Records and Correctional Administration (ORCA) offender management system, the ministry continued to work on improving business efficiencies, system upgrades, reports development, updating training materials and provincial standards. The ministry has also purchased staff scheduling software for use in correctional centres, which is scheduled for a piloted implementation in the Edmonton Remand Centre in late 2016-17.

Performance Measures

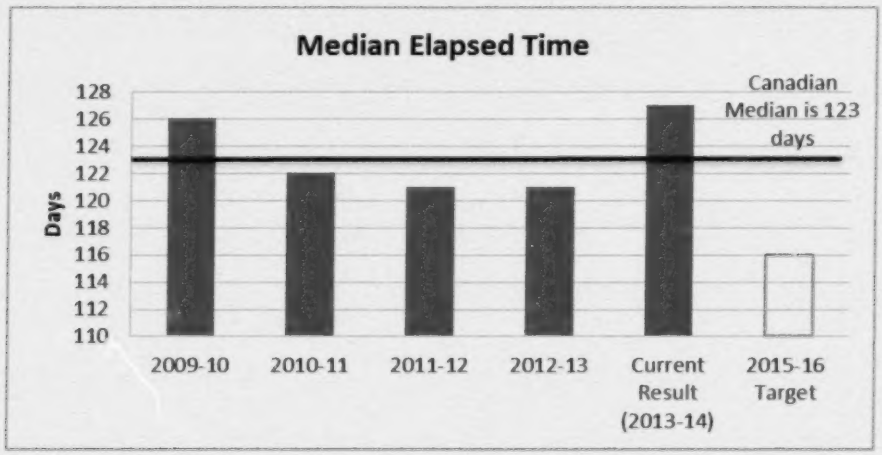
Performance Measure 2.a: Percentage of Albertans who agree that fair and impartial service is provided to prosecute people charged with a crime

Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
75%	81%	80%	81%	Not Available	Not Available

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15. Therefore, a target and result are not available for 2015-16.

In 2014-15, the majority of Albertans (81 percent) agreed that Justice and Solicitor General provides a fair and impartial prosecution service. This is an increase of one percentage point over the previous year and is one percentage point below the target of 82 percent.

Performance Measure 2.b: Median elapsed time from first to last appearance for a criminal case in Provincial Court and Court of Queen's Bench of Alberta.



Prior Years' Results				Current Result (2013-14)	2015-16 Target
2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
126 days	122 days	121*days	121 days	127 days	116 days

Note: On September 28, 2015, CCJS revised Alberta's 2011-12 median elapsed time from 117 days to 121 days and also revised Alberta's number of concluded cases from 53,763 to 56,287. The 2015-16 target of 116 days was set based on the previously reported 2011-12 result of 117 days.

The target set in the 2015-18 Business Plan is 116 days. This target was considered an achievable and reasonable level of performance based on previous performance results. Benchmarking against the national result continues to be useful and informative. When Alberta's median elapsed time target for 2015-16 was set, Canadian Centre for Justice Statistics (CCJS) most recent available data was for the 2011-12 fiscal year. At that time, the CCJS reported the median elapsed time for Alberta was (117 days) and for Canada it was (118 days). Alberta's target of 116 days was set based on this information.

In 2013-14, the most recent CCJS data available, the median elapsed time was 127 days, a five percent increase when compared to the median elapsed time of 121 days in 2012-13. In addition, the median elapsed time is 11 days over the target of 116 days.

The five percent increase in median elapsed time can be attributed in part to increased case volumes. In 2013-14, case counts for adult criminal courts (Provincial Court of Alberta and the Court of Queen's Bench combined) increased 0.9 percent from 55,823 in 2012-13 to 56,346 in 2013-14. Alberta's population growth of 10.8 percent from the 2006 to 2011 census is significantly greater than the national growth of 5.9 percent. In addition, the median age of Albertans at 36.5 is younger than the national median of 40.6. Alberta's demographics is changing significantly and the disparate impact on different regions and court resources will affect median time to disposition.

Sometimes the reason for a long delay before trial is that the matter is a serious one and/or more complex. Increased complexity of cases may result in longer delay, such as intricate disclosure requests, multiple witnesses, and multi-day trials. For more serious complex cases, the accused may elect to have a trial set at the Court of Queen's Bench. Therefore, a preliminary inquiry is held. If the accused is committed to stand trial, a Queen's Bench trial date will be set.

From 2012 to 2013, Alberta police reported an eight percent increase in attempted murder offences, 11 percent increase in motor vehicle theft and 10 percent increase in possession, trafficking production or distribution (includes heroin, methamphetamines (crystal meth), methylenedioxyamphetamine (ecstasy) and other controlled drugs and substances, as well as possession of precursors and equipment).

Cases involving multiple charges as opposed to a single charge generally have a higher median time for completion (155 day versus 87 days, nationally). Alberta experienced a three percent drop in the number of single charge cases while the number of multiple charge cases grew by nearly the same proportion (3.4 percent). Multiple charge cases represented 63.5 percent of all cases in 2013-14, a slight increase from 62.0 percent in 2012-13.

Increases in the number of multiple charge cases alone does not explain the increase in median elapsed time between 2012-13 and 2013-14 since median elapsed times for both single charge and multiple charge cases in Alberta have risen. These increases are similar to those reported for Canada as a whole. In Alberta, elapsed times for single charge case and multiple charge cases increased 4.2 percent and 2.7 percent, respectively. Nationally, these figures were 3.6 percent and 2.6 percent, respectively.

Looking at the types of offences that cases involve can also help understand differences between Alberta and the national median elapsed case times. In Alberta, cases involving crimes against the person offences (and potentially more complex trials) increased by 1.8 percent from 2012-13 to 2013-14, whereas for Canada as a whole, they decreased 6.8 percent. For administration of justice offences cases, which make up 27.0 percent of cases, median time increased from 77 days in 2012-13 to 88 days in 2013-14, an increase of 14.3 percent.

The ministry's influence on median elapsed time is based on case processing efficiencies, the number of available courtrooms utilized, and Crown prosecutor and judicial resource availability. The ministry has undertaken a number of Court Case Management projects in recent years to enhance court case processing, including the establishment of the Case Management Office, Crown File Ownership, Remote Courtroom Scheduling (RCS), Assignment Courts, Court Appearance Scheduling System (CASS), and Criminal eFile.

Court Case Management remains a priority for the ministry and the Provincial Court judiciary. Alberta has requested more Court of Queen's Bench justices to help improve trial timeliness; however, the federal government has not yet accommodated this request.

Desired Outcome Three

Ensuring fair process for Albertans

The ministry has taken a citizen-centered approach to address the needs of those involved in the justice system through the use of technology, simplification of processes and bridging the gap between rural and urban service levels. The ministry has been working to challenge assumptions, processes and systems to deliver services that are targeted, appropriate and cost-effective. Over the past year system design work has been undertaken across the ministry to improve our understanding of the various components of the justice system and how they interact with other social systems in order to expand availability, streamline services and maximize program capacity.

3.1 Engage with partners and stakeholders to support improvements in legal aid.

In the fall of 2015, Cabinet approved the Discretionary Coverage Process (DCP) as a pilot to address short-term pressures ensuring legal aid services are responsive to the needs of low-income and vulnerable Albertans. Early indicators demonstrate that the DCP pilot has been effective for clients, courts, and Legal Services Division in reducing the number of applications to the court to appoint legal counsel (also known as Rowbotham applications). In addition, the DCP has freed up court resources for other priority work.

In November 2015, it was announced that a ministry-led review of the existing legal aid structure and process in Alberta would be undertaken. The objective of the review is to address legal aid financial challenges and consider what longer-term change should be undertaken. The review will bring forward recommendations surrounding governance, financing and scope of legal aid services. Implementation of the recommendations approved by Cabinet will follow once the review is completed.

3.2 Improve client awareness and satisfaction of Family Support Order Services (made up of the Maintenance Enforcement Program and Child Support Recalculation Program) through improved client and stakeholder engagement.

During 2015-16 Family Support Order Services (FSOS) worked to enhance client awareness of its programs and services through ongoing updates to its websites and through the release of public informational videos. FSOS also undertook a number of engagement initiatives with key stakeholder groups, including Indigenous communities, advocacy groups, and organizations in the legal community.

The Maintenance Enforcement Program (MEP) made a number of changes to improve clients' ability to contact the Program. This included increasing the number of staff available to take calls, and expanding the capacity of the call centre. These initiatives allowed the Program to take an average of 30 percent more calls per month, while slightly decreasing average call wait times.

Efforts have also been made to improve service and streamline processes where one party lives in another western province. This included establishing a toll-free line for clients to use to obtain updates on their files, and streamlined processes for locating and collecting from payors who move back and forth regularly between provinces, or have addresses, driver's licences, or sources of income in more than one province.

MEP data is now available on the Government of Alberta's Open Government Portal. The portal serves as a single access point for all Government of Alberta publically available data and publications, and is intended to increase the transparency of government business, promote economic opportunity, and enhance citizen involvement in government through the sharing of information.

MEP will continue to take into account the current economic situation, and how Program policy, procedures, services, and communications may be enhanced to assist Albertans in meeting their court-ordered maintenance obligations.

3.3 Explore ways to ensure that victims are dealt with in a sensitive (including culturally sensitive) way and that they are supported through the justice system.

In 2015-16, $14.8 million in financial benefits were awarded to victims and $14.5 million in grants was provided to organizations serving victims.

The *Canadian Victims Bill of Rights* was proclaimed on July 23, 2015. The *Canadian Victims Bill of Rights* provides the following rights to victims of crime:

- Right to information
- Right to protection
- Right to participation
- Right to restitution

Victims have the right to receive information about the justice system, and about victim services and programs available to them. Victims have the right to be able to get specific information on the progress of the cases including information on the investigation, prosecution and sentencing of the person who harmed them. Victims have the right to have their security and privacy considered at all stages of the criminal justice process, and to have reasonable and necessary

protection from intimidation and retaliation. Victims also have the right to ask for a testimonial aid at court appearances. Victims have the right to present victim impact statements and have them considered in court. Victims will also have the right to express their views about decisions that affect their rights. Victims have the right to have the court consider making a restitution order, and having an unpaid restitution order enforced through a civil court.

Since the proclamation of the *Canadian Victims Bill of Rights*, the ministry has developed training packages and over 30 training sessions were delivered to over 120 Victim Services programs, all Crown prosecutors, and various ministry staff, both in person and via webinars. An initial review of the current Complaints and Restitution processes was completed, with the goal of identifying potential gaps, and opportunities to provide the support for victims as indicated in the CVBR. In addition, new brochures were developed and distributed, a pilot of four training events for multi-stakeholders, including court support workers, Crown, probation and correctional officers, police and victim services. A New Crown Prosecutors Victim Services Policy and practice guidelines is currently awaiting approval.

A review of victim services delivery in rural and remote communities was completed and the resulting report is in final draft. The ministry's Victims Services offers Program Evaluations to funded Victim Serving Organizations (VSOs) to assist with understanding the organization's role within the community, setting service delivery priorities and gauging the effectiveness of the program in relation to local community needs. They are designed as a useful management tool that VSOs can use to build on their existing strengths, as well as identify opportunities for enhancing operations and service delivery to victims. Three high needs programs were chosen for evaluations as part of the overall review of the "Rural and Remote Service Review" as case examples. The reviews of the programs were completed and the reports have been provided back to the communities to action recommendations.

A settlement agreement was approved by the courts in January 2016 resolving a class action lawsuit regarding the government's role to seek compensation for children in care between 1966 and 2008 who were injured as a result of a crime. The ministry is administering the initial applications under the current *Victims of Crime Act*. Processes have been developed in collaboration with class action counsel, Human Services staff and counsel, and Justice and Solicitor General legal counsel. It is unknown how many individuals will apply or be eligible for financial benefit given the evidentiary difficulties of verifying offences that occurred many years ago. These applications take considerable time (two years) to adjudicate based on the parameters of the lawsuit and additional resources to process/adjudicate.

Phase I of the federally funded Missing and Murdered Indigenous Women (MMIW) initiative was completed. The research report is complete along with a Support Guide for Missing Persons, a Support Guide for Victims of Homicide, and a bibliography. Additional funding has been confirmed to develop and implement a provincial Victim Service Delivery Framework that is culturally safe and trauma informed for both missing persons and victims of homicide.

In February 2016 the Office of the Auditor General (OAG) recommended that the ministry develop and publically report on a plan for the victims of crime fund program and determine the best use of victims of crime fund accumulated surplus. This will identify the gaps in service, and corresponding funding requirements of the Victims of Crime Fund. Future implementation of the OAG recommendations will have a significant impact on Victims Services, likely culminating in an expansion of programs and services and introduction of finance policies in all areas of Victims Services and requiring additional resources and staff.

3.4 Collaborate with partners to develop a process for the online payment of fines, fees and debts that will be more accessible, user-friendly and timely for Albertans than the current court administration process, and will allow the redeployment of court resources to more serious or complex matters.

The ministry continues to work with Service Alberta to implement online fine payments using the MyAlberta e-Services website. When deployed, Albertans will have the convenience of paying their fines online from home or on their smart device and their options for payment method will be expanded to include debit. Albertans can expect enhanced features, providing safeguards and information that ensures their payment is for the right amount and is applied to the correct fine.

3.5 Create and implement a sustainable and innovative infrastructure plan for courthouses across the province that will focus on the needs of Albertans, taking into consideration the increasing number of Albertans who represent themselves in court.

Work associated with this initiative is well underway. In partnership with Alberta Infrastructure, Justice and Solicitor General continued to plan and implement projects under this initiative that will support short, medium and long-term accommodation strategies for courthouses. The emphasis is on addressing the most critical facility requirements as identified and recommended by courthouse planning studies. A Courthouse Renewal Oversight Committee has been established with key stakeholders to provide high-level guidance and support ensuring that the initiative meets its intended purpose/goals.

The Courthouse Renewal Initiative (CRI) (formerly the Courthouse Planning Study) was launched in June 2014 to identify facility requirements for Alberta courthouses based on new, long-term strategies for the delivery of justice services. The consultant and sub-consultants visited the 16 court locations that were identified as having the most immediate and significant needs for upgrading. An allocation of $69 million was approved.

Despite the CRI, there are other courthouse functions and locations that require funding for facilities and renovations. A few of the locations and courthouse functions include the Edmonton Bail Hearing Office, First Nations, and Resolution Services.

The size and complexity of this initiative requires extensive coordination and effective management of competing stakeholder priorities. The CRI and CRI Oversight Committee have provided a strategy and structure to address these concerns, ensuring that projects planned under and within the scope of the initiative are addressed prior to giving consideration to any new requests.

Additional courthouse requests not programmed under CRI raise questions and issues in regard to future planning. As the budget for the CRI has already been allocated, funding for other initiatives and remaining courthouse locations requiring facility refurbishments will need to be requested through the Capital Planning Process.

3.6 Implement recommendations from Results-based Budgeting, as appropriate, to improve the ministry's ability to protect Albertans.

Select recommendations from Results-based Budgeting were undertaken in 2015-16 and are reported under other priority initiatives.

3.7 Develop and implement a strategic workforce plan (SWFP) to include succession and talent management, ensuring the right people are in the right place, at the right time to deliver service to Albertans.

The ministry is progressing in implementing a Strategic Workforce Planning process and is implementing an Executive Development and Succession process for all required levels. Both processes will provide the leaders of our organization greater insights (analyzed data and metrics) about our workforce, to appropriately manage and plan for various future scenarios.

3.8 Continue to implement the ministry's information management and technology strategic plan to improve the ministry's ability to deliver services to Albertans.

Within the economic constraints and resource limitations of the past year, Justice and Solicitor General has been striving to enhance service delivery to Albertans through several information and technology enhancements, including:

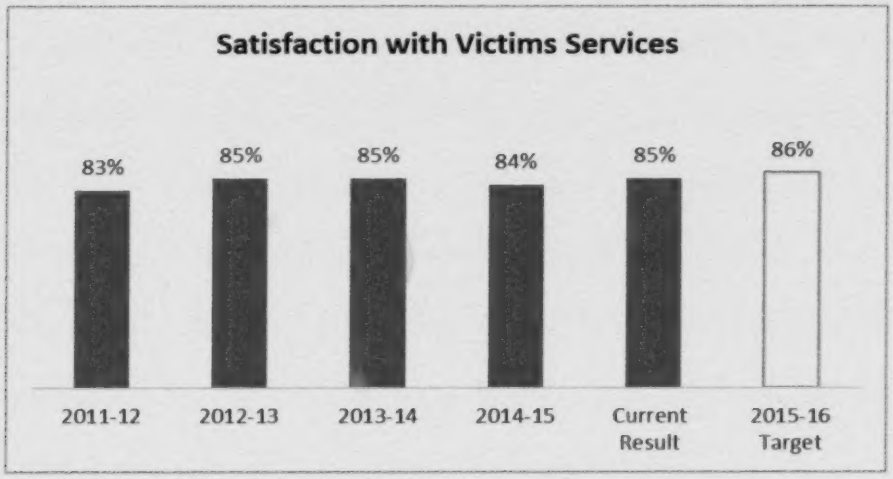
- Aligning the Maintenance Information Management System with the *Family Statutes Amendment Act*. This work has enabled the Maintenance Enforcement Program to recover overpaid support amounts from creditors.
- Executing activities under the 2015-16 risk management plan. Specifically, a health check has been completed on all applications to support the identification of risks and mitigation strategies to ensure justice system applications are secure and reliable. This information will be used in a final report that will inform future information and technology planning.
- Activities to acquire and implement an e-Discovery and Litigation Support solution are near completion, and the system is expected to go live in June 2016. The solution streamlines and modernizes the processing, review, analysis and production of both paper and electronic evidence for civil litigation cases.
- Modernization of the digital signage at the Edmonton Law Courts was completed. The new signage ensures that Albertans dealing with justice matters have timely access to courtroom information.
- Time Keeper Replacement Initiative was fully concluded, with users trained and project closure to follow. The new software provides robust case management and reporting capabilities which were not previously available. New capabilities allow for better analysis of operations and the enhanced ability to identify process change opportunities relating to utilization, which will improve service to Albertans.
- Supported the Court led Court of Queen's Bench Scheduling Project, which is now complete. The electronic scheduling system creates a central point of reference for court scheduling, and replaces inefficient, error prone manual processes which were frustrating for staff and inadequate in meeting the workload of the Court.

Since May 2014 and the implementation of Justice and Solicitor General Information Management and Technology (IMT) Governance structure, oversight of the IMT portfolio has matured, resulting in a more thorough and robust review of projects and an expanded ability to plan in the near, medium and long-term. An evaluation of resources, both within the portfolio as a whole and those used in delivery of specific projects, has become a key component of review.

The complement of budget and resource information creates a precise picture of the overall health and abilities within the portfolio, and informs our ability to deliver the Justice and Solicitor General Information Management and Technology Strategic Plan.

Performance Measures

Performance Measure 3.a: Percentage of victims satisfied with services provided by employees and volunteers within the criminal justice system



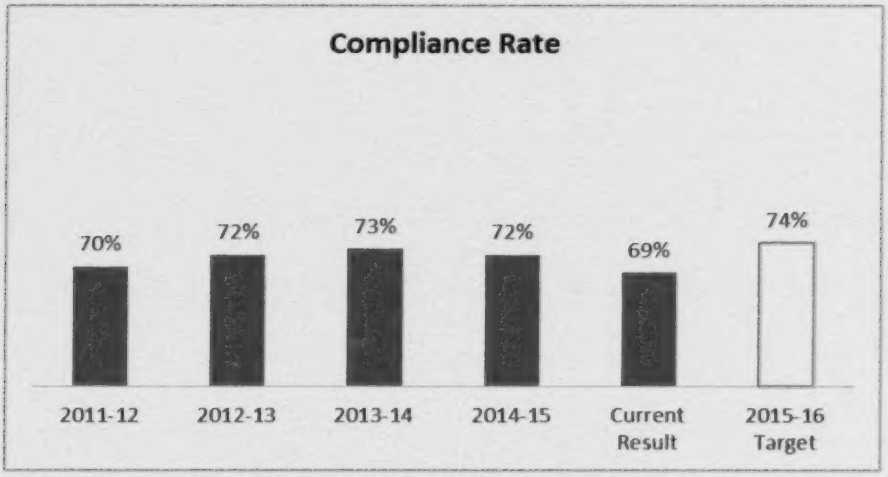
Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
83%	85%	85%	84%	85%	86%

In 2015-16, respondents reported an overall satisfaction rate of 85 percent. This is approximately one percent higher than last year's result of 84 percent but did not meet the target for 2015-16. After a review of the survey feedback, as well as a review of the programs and services provided to victims of crime, the gap between the result and the target is viewed as a normal fluctuation in reporting trends, and is not significant.

Victims who have suffered physical or psychological injury because of violent criminal offences can apply for a financial benefit. The ministry surveys victims who apply for financial benefits to assess their satisfaction with the services they received from service providers in the criminal justice system. This indicator represents overall satisfaction with services on a scale of one to five with one representing "very dissatisfied" and five representing "very satisfied".

The target for this measure in 2015-16 was 4.3 on a 5.00 scale, or 86 percent. The target means that on average, victims of crime applying for financial benefits are somewhat or very satisfied with services received by the criminal justice system. Due to the way the survey is administered, only those applying for financial benefits receive the questionnaire. Other victims who come in contact with victim services or the criminal justice system did not complete the survey.

Performance Measure 3.b: Maintenance Enforcement Program's compliance rate on cases enrolled, by regular monthly payments



Prior Years' Results				Current Result	2015-16 Target
2011-12 Result	2012-13 Result	2013-14 Result	2014-15 Result		
70%	72%	73%	72%	69%	74%

The Maintenance Enforcement Program (MEP) is authorized by the *Alberta Maintenance Enforcement Act* to collect and distribute spousal and child support under the terms of maintenance orders and certain agreements. Once an order or agreement has been registered with MEP, maintenance payments that the debtor (payor) would pay directly to the creditor (recipient) are to be paid to MEP. MEP then forwards the payment to the creditor once the funds have cleared through a trust account. In cases of default (non-payment) by the debtor, MEP has the legislative authority to take steps to enforce the maintenance owed.

MEP's regularity of payment rate is a proxy measure for MEP's compliance rate on cases enrolled and measures the amount of maintenance dollars that are received within the month that they are due. In 2015-16, the result was 69 percent, five percent lower than the projected target of 74 percent. This was also three percent less than the 2014-15 result. The primary factor in not meeting the projected target was the overall decline in economic activity in Alberta. By February 2016 Alberta's unemployment rate rose to a 20 year high of 7.9 percent. As of March 2016 only 11 percent of available drilling rigs in Alberta were active. Albertans' average weekly wages declined 4.3 percent between January 2015 and January 2016, but inflation rose 1.5 percent during the same period. The impact of these factors on debtors' ability to maintain regular payments cannot be overstated.

Effectively administering a MEP file requires a robust suite of enforcement tools supported by a comprehensive information management system and highly motivated well-trained staff. Reacting quickly and appropriately to bring files into compliance as soon as default occurs is key. During 2015-16 MEP suffered unusually high vacancy rates, resulting in delays working some file tasks.

MEP makes a concerted effort to ensure maintenance payments are paid as they are due. MEP encourages clients to take advantage of automatic payment options such as voluntary wage deductions or automatic bank withdrawal to ensure their monthly payments are made on time. MEP also relies on a full slate of enforcement actions, utilized in accordance with a collection progression. As the default on a file becomes more serious, so do the enforcement actions. These enforcement tools include: a writ filed at the Personal Property Registry, registration against real property, support deduction notices (including wage, non-wage and federal support deduction notices), credit bureau reporting, motor vehicle restrictions, driver's license suspensions, recreational hunting and fishing restrictions, federal license denials, financial examinations, default hearings, and asset seizures. MEP also has access to a variety of databases to assist in locating a debtor or a debtor's assets or income.

Default penalties and interest charges are applied to files when payments are not made in full and on time. Debtors with outstanding arrears are encouraged to make payment arrangements to avoid further enforcement action, default penalties and interest.

MEP continues to focus on improving personal contact between staff and clients, and continually reviews existing collection strategies to ensure that maintenance is paid regularly. Ongoing initiatives to increase regularity of payment include the following:

- Continuation of initiatives to streamline processes, allowing staff to focus more attention on bringing files into compliance.
- Improving internal communications to increase consistency in handling files and applying enforcement actions across the Program.
- Re-allocating internal resources to reduce call wait times and provide clients prompt, proactive service.
- Continuing to work closely with our reciprocating partners across Canada and elsewhere, to identify best practices, harmonize policies where appropriate, and streamline processes when clients move from one jurisdiction to another.

While the MEP continues to develop and implement changes to improve its procedures and level of service to clients, the ministry has taken into account the current economic challenges facing all Albertans and has set what it considers to be realistic, achievable targets for future years; the 2016-17 target is set at 70 percent.

Results Analysis

Performance Measure Methodology

1.a Percentage of Albertans who feel safe walking alone in their area after dark

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15 using the methodology described below. The survey was conducted October to December 2014. Professionally trained interviewers conduct all interviews from a central telephone facility. The survey was completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten percent of all interviews were monitored online.

Historically, the sample size for this survey question was 750. With the merger of the former ministries of Justice and Attorney General and Solicitor General and Public Security, the previous survey sample sizes (750 for Justice and Attorney General and 1,200 for Solicitor General and Public Security) were combined. The 2012-13 sample size for this survey question was 2,000 and was kept at 2,000 for 2013-14 and 2014-15. To survey a random and representative sample of adult Albertans, quotas were established based on Statistics Canada's 2011 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2011 population estimates. Results are reliable within ±2.2 percent at the 95 percent confidence level.

1.b Percentage of Albertans satisfied with policing in Alberta over the past 12 months

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15 using the methodology described for Performance Measure 1.a above.

1.c Number of escapes from secure custody or during transport

Source: Justice and Solicitor General Administrative Data, Correctional Services and Public Security Divisions

The performance measure reports the absolute number of incidents of escapes from secure custody or during transport. To be counted as an escape from secure custody, the escape must meet all of the requirements for a prison breach as described in section 144 of the *Criminal Code of Canada*. Offenders who walk away from minimum-security settings, or who fail to return from a period of conditional release, are not counted as escapes from secure custody. Escapes that occur during transportation under the supervision of a correctional peace officer or a sheriff are included.

All adult correctional centres and young offender centres report the number of escapes from secure custody or during transportation of an offender under the supervision of a correctional peace officer, on a monthly basis on the monthly offender activity reports. When a centre reports an escape it is investigated by a Board of Inquiry. If police become involved in apprehending the offender, a police report is prepared as well.

If an escape incident occurs when transporting an offender, staff involved in the transport complete an incident report. If police become involved in apprehending the offender, a police report is prepared as well. Management conducts investigations into all escape incidents and takes further action as needed.

1.d Percentage of offenders successfully completing their sentence while on temporary absence without incurring new criminal charges

Source: Justice and Solicitor General Administrative Data, Correctional Services Division

The methodology for this performance measure changed in 2015-16 for two reasons. First, a new correctional service administrative system, ORCA, was introduced in February 2013 and replaced the legacy system; Correctional Management Information System (CoMIS). Second, ORCA stores information on the progress of a TA in a different way from the legacy system. The previous methodology used data on TAs granted and suspended due to re-offence. The new methodology uses TAs ended and TAs revoked due to new charges. In ORCA, the record stored for each TA includes the current status of the TA and the date the status was updated. As the TA progresses towards its conclusion, interim statuses such as "approved", "in progress", "suspended" or "reinstated" are overwritten. As a result, it was not possible to accurately extract the number of TA suspensions from the TA record stored in ORCA. The number of TA revocations due to new charges could be extracted because revocation is a final status for a TA. Using the number of TAs ended will not affect the overall number of TAs considered in the analysis, as all that start with a movement out of custody will eventually end either as "successful" or "revoked".

Data on temporary absences ended and revoked due to new charges is stored in ORCA. This system provides the ministry with a database of operational statistical information about individuals under the care, custody and control of the Alberta Correctional Services Division. A query of the correctional service administrative data at the end of the fiscal year produces the information required for this performance measure.

The number of Temporary Absence Programs ended and the number of temporary absences revoked due to new charges is obtained by analysis of the data extracts produced from the system. The percentage of Temporary Absence Programs completed successfully is calculated by subtracting the number of temporary absences revoked due to new charges from the number of temporary absences ended in the fiscal year. The result is then divided by the total number of temporary absences ended.

The new offender management system, Offender Records and Correctional Administration (ORCA), was introduced in February 2013 and replaced the legacy system; Correctional Management Information System (CoMIS). Data on temporary absences (conditional releases) granted and suspended due to re-offence was stored in the CoMIS until January 2013.

2.a Percentage of Albertans who agree that fair and impartial service is provided to prosecute people charged with a crime

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

Beginning in 2015-16, a biennial survey schedule was adopted with targets and results available every other year. The survey was last conducted in 2014-15 using the methodology described for Performance Measure 1.a above.

2.b Median elapsed time from first to last appearance for a criminal case in Provincial Court and Court of Queen's Bench of Alberta

Source: *Integrated Criminal Court/Adult Criminal Court Survey*, Canadian Centre for Justice Statistics (CCJS). Data is available annually. CCJS Juristat publication was available September 28, 2015.

Median elapsed time from first to last appearance represents the mid-point in elapsed time between first and last appearance for all adult criminal cases processed in Provincial and Superior Court. In Alberta, this is the Provincial Court of Alberta and the Court of Queen's Bench.

Performance data for median elapsed time from first to last appearance is obtained from the Integrated Criminal Court Survey/Adult Criminal Court Survey, CCJS. The ministry provides annual data from the Justice Online Information Network (JOIN) to CCJS' Integrated Criminal Court/Adult Criminal Court Survey through an automated interface. At CCJS, the data is edited, verified and signed off with the ministry. Information from a number of jurisdictions such as Manitoba, superior courts in Prince Edward Island, Quebec, Ontario, and Saskatchewan, as well as municipal courts in Quebec, are excluded due to the unavailability of data.

A methodology change was introduced by CCJS in 2007-08, which delayed the publication of further results until 2009-10. Therefore, results published in Alberta Justice and Attorney General annual reports prior to 2009-10 are not comparable to results published in the 2015-16 annual report. At the time of annual report publication, the most current results available from CCJS were for 2013-14.

Results published in the 2009-10 and 2010-11 Alberta Justice and Attorney General annual reports have been restated to account for cases that were pending at the end of the reference period, had no subsequent activity for a full year and were therefore deemed closed, as per the CCJS published methodology. The 2011-12 result published in the 2013-14 and 2014-15 Justice and Solicitor General annual reports has also been revised by CCJS from 117 days to 121 days, and Alberta's number of concluded cases has been revised from 53,763 to 56,287.

3.a Percentage of victims satisfied with services provided by employees and volunteers within the criminal justice system

Source: *Justice and Solicitor General, Public Security Division Victim Services Evaluation Survey*

The ministry tracks the satisfaction of individuals who receive services from employees and volunteers within the criminal justice system. The evaluation survey is included in the Financial Benefits Application package and submitted with applications for financial benefits. Victims apply to the financial benefits program on a continual basis throughout the fiscal year and, as a result, the survey data collection timeframe runs for one full fiscal year. Therefore, for the fiscal year

2015-16, data was collected from April 1, 2015 to March 31, 2016. Results are compiled from the responses completed by individuals who choose to respond to this survey at the time they apply to the program. Results are reliable within ±3.3 percent at the 95 percent confidence level.

The response rate for this survey was 23 percent in 2015-16. The response rate is calculated using the number of Financial Benefit applications received (3,075) and the total number of responses to the survey (710).

Respondents are asked to rate how satisfied they are with the overall service provided by employees and volunteers within the criminal justice system. The survey uses a five point Likert scale ranging from one (very dissatisfied) to five (very satisfied). The methodology consists of totaling the cumulative score for the responses to this question and dividing by the total number of valid completed responses to the question. The results provide an average score which is then converted to a percentage for consistency with other ministry performance measures.

3.b Maintenance Enforcement Program's compliance rate on cases enrolled by regular monthly payments

Source: Justice and Solicitor General Administrative Data, Maintenance Enforcement Program

The Regularity of Payment is a proxy measure for MEP's Compliance rate on cases enrolled. Terms of maintenance orders and agreements are entered into the Maintenance Information Management System (MIMS). The overall amount of maintenance payments that are due each month are then totaled by MIMS. Payments received are also entered into the system and totaled monthly by MIMS. This measure shows the amount of regular maintenance collected as a percentage of the regular maintenance due. It does not reflect collection of MEP-charged fees or penalties, any arrears, or any variable extraordinary expenses. The result is calculated on a monthly basis by dividing the amount of regular maintenance collected in a month by the amount of regular maintenance due in that month. The annual result is an average of the monthly results. The methodology for this measure was adapted from a similar measure developed by the Canadian Centre for Justice Statistics.

Financial Information

Ministry of Justice and Solicitor General

Financial Statements

Year Ended March 31, 2016

MINISTRY OF JUSTICE AND SOLICITOR GENERAL

Consolidated Financial Statements

Year Ended March 31, 2016

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AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Justice and Solicitor General, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Justice and Solicitor General as at March 31, 2016, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2016

	2016		2015 (Restated Note 3)
	Budget	Actual	Actual
	(in thousands)		
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants	$ 33,530	$ 32,861	$ 35,946
Premiums, Fees and Licences	46,853	46,567	39,441
Investment Income	970	1,136	1,403
Other Revenue	242,281	248,420	185,093
	323,634	328,984	261,883
Expenses - Directly Incurred (Note 2(b), Schedule 3 and 5)			
Programs			
Ministry Support Services	63,277	56,348	62,956
Resolution and Court Administration Services	209,764	208,439	204,327
Legal Services	55,498	56,112	55,443
Alberta Crown Prosecution Service	92,698	96,010	97,095
Support for Legal Aid	66,000	66,000	64,310
Justice Services	43,417	40,015	42,788
Public Security	500,315	496,985	479,554
Correctional Services	267,280	274,783	266,244
Alberta Human Rights	8,424	8,117	8,530
Motor Vehicle Accident Claims	21,237	25,670	21,063
Victims of Crime Fund	33,197	36,374	30,144
	1,361,107	1,364,853	1,332,454
Annual Deficit	$ (1,037,473)	$ (1,035,869)	$ (1,070,571)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	2015 (Restated Note 3)
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 4)	$ 73,235	$ 61,056
Accounts Receivable (Note 5)	169,882	149,311
Advances	22	24
	243,139	210,391
Liabilities		
Accounts Payable and Accrued Liabilities (Note 6)	271,072	264,025
Deferred Revenue (Note 8)	2,558	2,607
Unspent Deferred Capital Contributions (Note 7)	296	296
	273,926	266,928
Net Debt	(30,787)	(56,537)
Non-Financial Assets		
Tangible Capital Assets (Note 9)	391,614	351,114
Net Assets	$ 360,827	$ 294,577
Net Assets at Beginning of Year	$ 294,577	$ 192,502
Annual Deficit	(1,035,869)	(1,070,571)
Net Financing Provided from General Revenues	1,102,119	1,172,646
Net Assets at End of Year	$ 360,827	$ 294,577

Contingent Liabilities and Contractual Obligations (Notes 10 and 11)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
Year ended March 31, 2016

	2016		2015 (Restated Note 3)
	Budget	Actual	Actual
		(in thousands)	
Annual Deficit	$ (1,037,473)	$ (1,035,869)	$ (1,070,571)
Acquisition of Tangible Capital Assets	(70,134)	(53,611)	(94,771)
Amortization of Tangible Capital Assets (Note 9)	17,491	12,405	15,388
Transfer of Tangible Captial Assets (to) from Other Ministries		(33)	170
Loss on Sale of Tangible Capital Assets		33	44
Write-downs of Tangible Capital Assets		706	-
Grants In Kind			2,266
Net Financing Provided from General Revenue		1,102,119	1,172,646
Decrease in (Net Debt)		$ 25,750	$ 25,172
(Net Debt) at Beginning of Year		(56,537)	(81,709)
(Net Debt) at End of Year		$ (30,787)	$ (56,537)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015 (Restated Note 3)
	(in thousands)	
Operating Transactions		
Annual Deficit	$ (1,035,869)	$ (1,070,571)
Non-cash Items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 9)	12,405	15,388
Transfer of Tangible Capital Assets (to) from Other Ministries	(33)	170
Grants in Kind	-	2,266
Loss on Write Down of Tangible Capital Assets	706	-
Loss on Disposal of Tangible Capital Assets	33	44
	13,111	17,868
(Increase) in Accounts Receivable	(20,571)	(2,138)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	7,047	(18,114)
(Decrease) in Deferred Revenue	(49)	(2,742)
Cash (Applied to) Operating Transactions	(1,036,331)	(1,075,697)
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 9)	(53,611)	(94,771)
Cash (Applied to) Capital Transactions	(53,611)	(94,771)
Investing Transactions		
Repayment of Advances	2	15
Cash Provided by Investing Transactions	2	15
Financing Transactions		
Net Financing Provided from General Revenues	1,102,119	1,172,646
Cash Provided by Financing Transactions	1,102,119	1,172,646
Increase in Cash and Cash Equivalents	12,179	2,193
Cash and Cash Equivalents at Beginning of Year	61,056	58,863
Cash and Cash Equivalents at End of Year	$ 73,235	$ 61,056

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Minister of Justice and Solicitor General operates under the authority of the *Government Organization Act* and its regulations, and has been designated responsibilities for various acts. Below are the organizations that form the Ministry of Justice and Solicitor General and the authority under which each organization operates.

Organization	Authority
Department of Justice and Solicitor General	*Government Organization Act*
Human Rights Education and Multiculturalism Fund	*Alberta Human Rights Act*
Victims of Crime Fund	*Victims of Crime Act*

The Ministry's purpose is to lead a fair and innovative justice system, ensures effective policing and supports victims of crime.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These consolidated financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity and Method of Consolidation

The reporting entity is the ministry for which the Minister of Justice and Solicitor General is accountable.

The accounts of the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund are consolidated on a line-by-line basis. Revenue and expense transactions, investing and financing transactions and related asset and liability balances between these consolidated entities are eliminated upon consolidation. Accounting policies have been adjusted to conform with those of the Ministry.

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Revenue (Cont'd)

Government transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the ministry's actions and communications as to the use of transfers create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the ministry complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the ministry meets the eligibility criteria (if any).

Deferred Revenue
Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Credit or Recovery
Credit or recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the ministry's credit or recovery initiatives.

Expenses

Directly Incurred
Directly incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime, guarantees and indemnities.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses (Cont'd)

Directly Incurred (Cont'd)

Grants are recognized as expenses when authorized and eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by related other entities in support of the ministry's operations are not recognized and are disclosed in Schedule 4 and allocated to programs in Schedule 5.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Advances, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Liabilities

Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

(a) are normally employed to deliver government services;
(b) may be consumed in the normal course of operations; and
(c) are not for sale in the normal course of operations.

Non-financial assets of the ministry are limited to tangible capital assets.

Tangible Capital Assets

Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is put into service.

When tangible capital assets are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The areas subject to measurement uncertainty include:

- Accounts receivable recorded as $169,882 (2015 - $149,311) include fines of $114,866 (2015 - $95,103 restated). Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $13,357 (2015 - $11,042) are based on the actual percentage satisfied in this manner from April 1, 2015 to March 31, 2016 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty (Cont'd)
(in thousands)

- Provision for doubtful accounts, recorded as $11,580 (2015 - $11,539), is based on the actual percentage of fines written off from April 1, 2015 to March 31, 2016 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2016 will not be collected.

- Accounts payable and accrued liabilities, recorded as $271,072 (2015 - $264,025), include an estimate of $54,301 (2015 - $52,373) for unsettled claims under the Motor Vehicle Accident Claims Program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 12). Accrued liabilities also include an estimate of $9,765 (2015 - $7,155) for financial benefits, $8,602 (2015 - $8,078) for supplemental financial benefits, and $6,889 (2015 - $7,251) for compensation claims under the Victims of Crime Fund (Note 13).

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the ministry's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Debt/ Net Financial Assets.

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(d) Future Accounting Changes (cont'd)

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/ or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The ministry has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 GOVERNMENT REORGANIZATION

(in thousands)

Effective April 1, 2015, the ministry received funding for legal officers who were assigned to other ministries as per the Legal Services Protocol. The ministry also received funding for a Public Affairs Officer and a Fish and Wildlife staff member. Comparative figures for 2015 have been restated as if the ministry had always been assigned with its current responsibilities.

Net Assets on March 31, 2015 are made up as follows:

	As Previously Reported	Legal Services Protocol Transfer Increase /(Decrease)	Others Increase/ Decrease	As Restated
Revenues	$ 261,883	$ -	$ -	$ 261,883
Expenses	1,331,543	350	561	1,332,454
Annual Deficit	(1,069,660)	(350)	(561)	(1,070,571)
Net Financing Provided from General Revenue	1,171,735	350	561	1,172,646
Net Assets at March 31, 2014	192,502	-	-	192,502
Net Assets at March 31, 2015	$ 294,577	$ -	$ -	$ 294,577

NOTE 4 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF have a time weighted return of 0.83% (2015 – 1.18%) per annum. Of the $73,235 (2015 - $61,056) in Cash and Cash Equivalents $55,391 (2015 - $46,163) and $3,891 (2015 - $4,175) relate to the Victims of Crime Fund and the Human Rights Education and Multiculturalism Fund, respectively, and can only be used for expenses related to those funds.

NOTE 5 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016				2015 (Restated)
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 28,654	$ -	$ -	$ 28,654	$ 30,720
Fines – Provincial	32,353	3,566	2,646	26,141	23,525
Fines – Federal	21,239	3,589	2,854	14,796	15,846
Ticket Processing	31,387	1,003	984	29,400	17,966
Fines – Late Payment Penalty	27,656	-	1,790	25,866	20,597
Surcharge	29,887	5,199	906	23,782	19,435
Other	23,643	-	2,400	21,243	21,222
	$ 194,819	$ 13,357	$ 11,580	$ 169,882	$ 149,311

NOTE 6 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2016	2015
PPSA Service Agreement	$ 61,092	$ 54,175
Motor Vehicle Accident Claim (Note 12)	54,301	52,373
Financial Benefits Program (Note 13)	25,256	22,484
Other Program Expenses	130,423	134,993
	$ 271,072	$ 264,025

NOTE 7 DEFERRED CAPITAL CONTRIBUTIONS

(in thousands)

Unspent deferred capital contribution and transfers

	2016	2015
Balance at beginning of year	$ 296	$ -
Cash contributions received/receivable during year	-	296
Transferred to spent deferred capital contributions	-	-
Balance at end of year	$ 296	$ 296

The ministry received a $0 (2015 - $296) capital contribution from the City of Calgary (the City) to increase the height of a radio tower as part of the Alberta First Responders Radio Communications System (AFRRCS) project to meet the City's specific requirements. The AFRRCS project is currently part of Work in Progress and is disclosed in Note 9.

NOTE 8 DEFERRED REVENUE

(in thousands)

	2016	2015
Balance, beginning of year	$ 2,607	$ 5,645
Received/receivable during year	2,558	2,607
Less amounts recognized as revenue	(2,607)	(5,645)
Balance, end of year	$ 2,558	$ 2,607

The end of year balance includes deferred revenue of $1,498 (2015 - $1,751) for motor vehicle accident claim fees collected pursuant to the *Motor Vehicle Accident Claims Act*, $851 (2015 - $784) for fees and licenses collected pursuant to the *Security Services and Investigators Act*, $52 (2015 - $72) for the Forensic and DNA Research program and $157 (2015 - $0) for Enhanced Police Agreement.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2016

NOTE 9 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment[1]	Computer Hardware and Software[2]	Work in Progress[3]	2016 Total	2015 Total (Restated)
Estimated Useful Life	3 - 10 years	5 -10 years			
Historical Cost					
Beginning of Year	$ 44,678	$ 107,249	$ 321,410	$ 473,337	$ 383,363
Prior Year Adjustments [4][5]	(10,770)	4,658	(438)	(6,550)	(4,266)
Additions	700	4,505	48,844	54,049	99,037
Transfer-In	-	87	-	87	(3,941)
Disposals, Including Write-downs	(351)	(1,441)	-	(1,792)	(856)
	$ 34,257	$ 115,058	$ 369,816	$ 519,131	$ 473,337
Accumulated Amortization					
Beginning of Year	26,984	95,239	-	122,223	109,151
Prior Year Adjustments	(1,206)	(4,200)	-	(5,406)	-
Amortization Expense	2,202	10,203	-	12,405	15,388
Transfer-In /(Out)	-	54	-	54	(1,505)
Effect of Disposals	(341)	(1,418)	-	(1,759)	(811)
	27,639	99,878	-	127,517	122,223
Net Book Value at March 31, 2016	$ 6,618	$ 15,180	$ 369,816	$ 391,614	
Net Book Value at March 31, 2015	$ 17,694	$ 12,010	$ 321,410		$ 351,114

(1) Equipment includes vehicles, office furnishings and other equipment.
(2) In 2015, a portion of Alberta Police Integrated Information Initiative (API3), with a net book value of $2,266, was transferred (grant in kind) to select police agencies.
(3) Work in Progress includes $368,093 (2015 - $317,722) for the Alberta First Responders Radio System (AFRRCS).
(4) Prior Year Adjustments include re-categorizations between asset categories and a write-off of $705.
(5) Work in Progress Prior Year Adjustment of $438 (2015- $4,266) pertains to a refund received for the Alberta First Responders Radio System (AFRRCS).

NOTE 10 CONTINGENT LIABILITIES

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2016, accruals totaling $1 (2015: $1) have been recorded as a liability. The total amount claimed for all likely claims is $5,277 (2015: 3,727). The accrual provided for these claims represents the ministry's portion of the liability. Included in the total likely claims are claims covered in whole or in part by the Alberta Risk Management Fund. The resulting additional liability, if any, from likely claims in excess of the amounts accrued is not determinable.

The ministry has been named in one hundred and seventy three (2015: one hundred and sixty three) claims of which the outcome is not determinable.

Of these claims, one hundred and fifty five (2015: one hundred and forty one) have specified amounts totaling $247,152 (2015: $213,622). The remaining eighteen (2015: twenty two) claims have no amounts specified. Included in the total claims, one hundred and fifty two claims totaling $175,431 (2015: one hundred and forty claims totaling $166,323) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 11 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2016, the ministry has contractual obligations under operating leases, contracts, and programs totaling $1,026,208 (2015 - $1,223,693). This includes a commitment for the Provincial Police Service Agreement (PPSA) of $710,408 (2015 - $741,721). The PPSA with the Government of Canada is a contract for the Royal Canadian Mounted Police (RCMP) to provide policing services to small communities and rural areas in Alberta. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31 in any year.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2016-17	$ 429,540
2017-18	346,686
2018-19	246,382
2019-20	2,538
2020-21	624
Thereafter	438
	$ 1,026,208

NOTE 12 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. The *Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice and Solicitor General must receive a court judgment. In accordance with the *Act*, liabilities for personal injury claims are accrued when a court ordered judgment is received.

At March 31, 2016, accrued liabilities for motor vehicle accident claims for which a court order was received amounted to $632 (2015 - $592), which are included in the total program expenditures of $25,670 (2015 - $21,063). There were one thousand and two unsettled motor vehicle accident claims under this program at March 31, 2016 (2015 - one thousand and twenty four claims) amounting to $192,584 (2015 - $116,760). Of these unsettled claims, it was estimated that approximately $50,946 (2015 - $48,839) may arise from court ordered judgments, to be received, and have been recorded as a liability.

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2016, is $3,354 (2015 - $3,534) and has been recorded as a liability. As at March 31, 2016, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $7,755 (2015 - $8,148).

NOTE 13 FINANCIAL BENEFITS PROGRAM

(in thousands)

Financial Benefits

As at March 31, 2016, there were one thousand six hundred twenty nine (2015 – one thousand eighty five) active applications for financial benefits.

Financial Benefits liability of $9,765 (2015 - $7,155) is estimated based on historical decision patterns, average award values, and case progress at year end. Additional information may be required to determine the amount for individual cases under regulations of the *Victims of Crime Act*.

Supplemental Benefits

As at March 31, 2016, nineteen (2015 - twenty) eligible recipients received a monthly payment of $1,000 for supplemental benefits.

NOTE 13 FINANCIAL BENEFITS PROGRAM (Cont'd)

(in thousands)

Supplemental benefits liability of $8,602 (2015 - $8,078) is estimated using a projection of monthly payments and statistical life expectancy figures. In addition, a present-value methodology has also been applied in calculating this estimated liability. This methodology projects benefit cost streams into the future and discounts them to present-value using a discount rate which reflects the current return on assets used to fund the liability. The injuries of a recipient receiving a supplemental financial benefit must be reviewed every 12 months to determine whether the severity of injuries is still in accordance with regulations under the *Victims of Crime Act*.

Former Crimes Compensation Board

As at March 31, 2016, twenty nine (2015 - thirty) eligible recipients received a monthly payment for compensation claims, assumed from the former Crimes Compensation Board.

Compensation claims liability of $6,889 (2015 - $7,251) is estimated using a projection of monthly payments and statistical life expectancy figures. The same present-value methodology described above for supplemental benefits has been used to calculate this estimated liability. The payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount.

NOTE 14 BENEFIT PLANS

(in thousands)

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $76,210 for the year ended March 31, 2016 (2015 - $75,028). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The ministry participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $15,489 for the year ended March 31, 2016 (2015 - $9,797).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported a surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan a surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 15 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The ministry administers trust funds that are regulated funds consisting of public money over which the legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the ministry's financial statements.

As at March 31, 2016 trust funds under administration were as follows:

	2016	2015
Various Court Offices and Fines Distribution Trust[1]	$ 160,831	$ 138,065
Maintenance Enforcement Trust[2]	10,788	11,123
Solicitors Trust[3]	9,429	7,635
Institutional Trust[4]	1,152	1,048
	$ 182,200	$ 157,871

(1) The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund receipts exceeded trust fund disbursements in 2016 by $22,766 (2015 - $11,581).

(2) The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund disbursements exceeded trust fund receipts in 2016 by $335 (2015 – trust fund disbursements exceeded trust fund receipts by $26).

(3) The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2016 included $200 (2015 - $199) of civil law funds and $9,229 (2015 - $7,436) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2016 by $1794 (2015 - $561).

(4) Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2016, the amount of the trust funds held under administration was $1,152 (2015 - $1,048) which was comprised of inmate trust funds of $509 (2015 - $460) and inmate welfare fund equity of $643 (2015 - $588).

NOTE 16 PAYMENTS UNDER AGREEMENT

(in thousands)

The ministry has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), the Government of Canada (GC), and the Government of Yukon Territory (Yukon). Costs under these agreements are incurred by the department under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $24 (2015 - $27) from the GNWT, $13 (2015 - $9) from the GN, $142 (2015 - $93) from the GC, and $28 (2015 -$71) from Yukon relating to payments under agreement.

NOTE 16 PAYMENTS UNDER AGREEMENT (Cont'd)

(in thousands)

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

The agreement with the Yukon is for the purpose of conducting investigations of Serious Incidents respecting members of the Territorial Police Service.

Amounts paid and payable under agreements with program sponsors are as follows:

	2016	2015 (Restated)
Medical Examiner Services – GNWT	$ 113	$ 116
Medical Examiner Services – GN	29	45
Enhanced French Language Training – GC	176	169
Territorial Police Services - Yukon	230	71
	$ 548	$ 401

The ministry has also entered into an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of the Department of Justice Canada (Justice Canada). Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the ministry under authority in Section 25 of the *Financial Administration Act*. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements. For the year ended March 31, 2016, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are $2,276 (2015 - $1,685) and are reflected in the Statement of Financial Position.

NOTE 17 SUBSEQUENT EVENT

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The financial impact on the ministry may be significant but is uncertain at this stage.

NOTE 18 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 19 APPROVAL OF CONSOLIDATED FINANCIAL STATMENTS

The consolidated financial statements were approved by the senior financial officer and the deputy minister.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2016

Schedule 1

	2016		2015
	Budget	Actual	Actual (Restated)
	(in thousands)		
Government Transfers			
Federal Government Grants			
Youth Justice Program	$ 15,551	$ 14,367	$ 14,680
Legal Aid	10,808	10,808	10,910
Other	7,171	7,686	10,356
	33,530	32,861	35,946
Premiums, Fees and Licences			
Motor Vehicle Accident Claims Fees	23,600	22,849	22,774
Court Fees	20,857	21,160	14,402
Security Services and Investigator Fees	1,800	1,572	1,471
Other	596	986	794
	46,853	46,567	39,441
Investment Income	970	1,136	1,403
Other Revenue			
Fines	133,107	121,845	82,816
Surcharges	45,200	47,561	35,712
Fines - Late Payment Penalty	25,200	34,160	27,387
Maintenance Enforcement Program	14,974	14,356	15,189
Recoveries for Enhanced Policing Services	8,666	7,726	6,935
Motor Vehicle Accident Recoveries	7,179	7,635	6,477
Miscellaneous	7,955	15,137	10,577
	242,281	248,420	185,093
Total Revenues	$ 323,634	$ 328,984	$ 261,883

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CREDIT OR RECOVERY
Year ended March 31, 2016

Schedule 2

	2016			
	Authorized	Actual Revenue Recognized	Total Revenue Received/ Receivable	(Shortfall)/ Excess
	(in thousands)			
Maintenance Enforcement [2]	$ 5,874	$ 5,389	$ 5,389	$ (485)
Provincial Civil Claims [3]	1,200	1,233	1,233	33
Ticket Processing [4]	38,130	38,130	38,130	-
Edmonton Regional Airport Authority [5]	3,140	2,805	2,805	(335)
	$ 48,344	$ 47,557	$ 47,557	$ (787) [1]

This Schedule is required by Section 24(3) of the Financial Administration Act.

(1) The revenue of each credit or recovery is included in the Statement of Operations and Schedule 1.

(2) Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

(3) Provincial Civil Claims revenues represent funding from fees levied to commence action in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

(4) Ticket Processing revenues represent the Province's share of *Traffic Safety Act* ticket revenue used to fund expenses incurred in processing and handling violation tickets issued under the *Traffic Safety Act*.

(5) Edmonton Regional Airport Authority revenues are received on a full cost recovery basis from the Edmonton Regional Airport Authority for policing services provided to the Edmonton International Airport under the Provincial Police Service Agreement.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2016

Schedule 3

	2016		2015
	Budget	Actual	Actual (Restated Note 3)
		(in thousands)	
Salaries, Wages and Employee Benefits	$ 716,560	$ 725,722	$ 712,899
Supplies and Services	397,021	385,424	368,980
Grants	207,981	208,812	214,492
Amortization of Tangible Capital Assets	17,491	12,405	15,388
Other	22,054	32,490	20,695
	$ 1,361,107	$ 1,364,853	$ 1,332,454

MINISTRY OF JUSTICE AND SOLICITOR GENERAL **Schedule 4**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2016	2015
Revenues		
Ministry of Energy	$ 308	$ 308
Expenses – Directly Incurred		
Service Alberta	$ 11,545	$ 13,366
Other Services	1,400	1,530
	$ 12,945	$ 14,896
Receivable from	$ 1,819	$ 2,342
Payable to	$ 18	$ 45
Contractual Obligations	$ 988	$ 415

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 5.

	Other Entities	
	2016	2015
Revenues		
Legal Services	$ 45,637	$ 44,078
Expenses – Indirectly Incurred		
Accommodation	$ 154,228	$ 150,126
Service Alberta	19,842	19,874
Other Services	443	410
	$ 174,513	$ 170,410

MINISTRY OF JUSTICE AND SOLICITOR GENERAL **Schedule 5**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
ALLOCATED COSTS
Year Ended March 31, 2016
(in thousands)

	2016				2015
		Expenses - Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Business Services[3]	Total Expenses	Total Expenses (Restated)
Ministry Support Services	$ 56,348	$ 5,907	$ 20,285	$ 82,540	$ 89,050
Resolution and Court Administration Services	208,439	56,402		264,841	259,033
Legal Services	56,112	2,499		58,611	57,965
Alberta Crown Prosecution Service	96,010	7,353		103,363	104,151
Support for Legal Aid	66,000	201		66,201	64,475
Justice Services	40,015	3,643		43,658	46,661
Public Security	496,985	17,120		514,105	495,738
Correctional Services	274,783	59,631		334,414	324,553
Alberta Human Rights	8,117	845		8,962	9,356
Motor Vehicle Accident Claims	25,670	290		25,960	21,423
Victims of Crime Fund	36,374	337		36,711	30,459
	$ 1,364,853	$ 154,228	$ 20,285	$ 1,539,366	$ 1,502,864

(1) Expenses – Directly Incurred as per Consolidated Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 4, allocated by square meters.

(3) Costs shown for Business Services include charges for IT support, internal audit services and other services on Schedule 4.

Department of Justice and Solicitor General

Financial Statements

Year Ended March 31, 2016

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL

Financial Statements

Year Ended March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Debt

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Credit or Recovery

Schedule 3 - Expenses – Directly Incurred Detailed by Object

Schedule 4 - Lapse/Encumbrance

Schedule 5 - Lottery Fund Estimates

Schedule 6 - Salary and Benefits Disclosure

Schedule 7 - Related Party Transactions

Schedule 8 - Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Justice and Solicitor General, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Justice and Solicitor General as at March 31, 2016, and the results of its operations, its changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF OPERATIONS
Year ended March 31, 2016

	2016		2015 (Restated Note 3)
	Budget	Actual	Actual
	(in thousands)		
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants	$ 33,330	$ 32,408	$ 35,679
Premiums, Fees and Licences	46,778	46,525	39,406
Investment Income	395	690	805
Other Revenue	197,071	200,484	149,164
	277,574	280,107	225,054
Expenses - Directly Incurred (Note 2(b), Schedule 3, 4, and 8)			
Programs			
Ministry Support Services	63,277	56,348	62,956
Resolution and Court Administration Services	209,764	208,439	204,327
Legal Services	55,498	56,112	55,443
Alberta Crown Prosecution Service	92,698	96,010	97,095
Support for Legal Aid	66,000	66,000	64,310
Justice Services	43,417	40,015	42,788
Public Security	500,315	496,985	479,554
Correctional Services	267,280	274,783	266,244
Alberta Human Rights	8,264	8,073	8,532
Motor Vehicle Accident Claims	21,237	25,670	21,063
	1,327,750	1,328,435	1,302,312
Annual Deficit	$ (1,050,176)	$ (1,048,328)	$ (1,077,258)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	2015 (Restated Note 3)
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents	$ 13,954	$ 10,719
Accounts Receivable (Note 4)	141,694	126,279
Advances	22	24
	155,670	137,022
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	242,549	237,597
Deferred Revenue (Note 7)	2,558	2,607
Unspent Deferred Capital Contributions (Note 6)	296	296
	245,403	240,500
Net Debt	(89,733)	(103,478)
Non-Financial Assets		
Tangible Capital Assets (Note 8)	391,148	351,100
Net Assets	$ 301,415	$ 247,622
Net Assets at Beginning of Year	$ 247,622	$ 152,232
Annual Deficit	(1,048,328)	(1,077,258)
Net Financing Provided from General Revenues	1,102,121	1,172,648
Net Assets at End of Year	$ 301,415	$ 247,622

Contingent Liabilities and Contractual Obligations (Notes 9 and 10)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF CHANGE IN NET DEBT
Year ended March 31, 2016

	2016		2015 (Restated Note 3)
	Budget	Actual	Actual
		(in thousands)	
Annual Deficit	$ (1,050,176)	$ (1,048,328)	$ (1,077,258)
Acquisition of Tangible Capital Assets	(70,109)	(53,157)	(94,771)
Amortization of Tangible Capital Assets (Note 8)	17,482	12,404	15,386
Transfer of Tangible Captial Assets (from) /to Other Ministries		(33)	170
(Gain)/ Loss on Sale of Tangible Capital Assets		33	36
Write-downs of Tangible Capital Assets		705	-
Grants In Kind		-	2,266
Net Financing Provided from General Revenue		1,102,121	1,172,648
Decrease in (Net Debt)		$ 13,745	$ 18,477
(Net Debt) at Beginning of Year		(103,478)	(121,955)
(Net Debt) at End of Year		$ (89,733)	$ (103,478)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015 (Restated Note 3)
	(in thousands)	
Operating Transactions		
Annual Deficit	$ (1,048,328)	$ (1,077,258)
Non-cash Items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 8)	12,404	15,386
Transfer of Tangible Capital Assets (from) to Other Ministries	(33)	170
Grants in Kind	-	2,266
Loss on Write Down of Tangible Capital Assets	705	-
Loss on Disposal of Tangible Capital Assets	33	36
	13,109	17,858
(Increase) in Accounts Receivable	(15,415)	(769)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	4,952	(13,716)
(Decrease) in Unearned Revenue	(49)	(2,742)
Cash (Applied to) Operating Transactions	(1,045,731)	(1,076,627)
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 8)	(53,157)	(94,771)
Cash (Applied to) Capital Transactions	(53,157)	(94,771)
Investing Transactions		
Repayment of Advances	2	13
Cash Provided by Investing Transactions	2	13
Financing Transactions		
Net Financing Provided from General Revenues	1,102,121	1,172,648
Cash Provided by Financing Transactions	1,102,121	1,172,648
Increase in Cash and Cash Equivalents	3,235	1,263
Cash and Cash Equivalents at Beginning of Year	10,719	9,456
Cash and Cash Equivalents at End of Year	$ 13,954	$ 10,719

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Department of Justice and Solicitor General operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department's purpose is to serve Albertans by promoting safe and secure communities through effective law enforcement, correctional services, and access to the courts and other methods of dispute resolution. The Department also provides legal and related strategic services to the Government of Alberta, and protects human rights.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Department of Justice and Solicitor General, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable. These financial statements include the activities of the Motor Vehicle Accident Claims program (a statutory appropriation).

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net financing provided from (for) general revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered.

Government transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers, create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the department complies with its communicated uses of these transfers.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Government transfers (Cont'd)
All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the department meets the eligibility criteria (if any).

Deferred Revenue
Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Credit or Recovery
Credit or recovery initiatives provide a basis for authorizing spending. Credits or recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual credit or recovery amounts exceed budget, the department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the department's credit or recovery initiatives.

Expenses
Directly Incurred
Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime, guarantees and indemnities.

Grants are recognized as expenses when authorized and eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by related other entities in support of the department's operations are not recognized and are disclosed in Schedule 7 and allocated to programs in Schedule 8.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Advances, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable
Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

Liabilities
Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in the future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

a) are normally employed to deliver government services;
b) may be consumed in the normal course of operations; and
c) are not for sale in the normal course of operations.

Non-financial assets of the department are limited to tangible capital assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Non-Financial Assets (Cont'd)

Tangible Capital Assets

Tangible capital assets of the department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is put into service.

When tangible capital assets are gifted or sold for a nominal sum, the net book value of these physical assets less any nominal proceeds are recorded as grants in kind.

Assets acquired by right are not included.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

The areas subject to measurement uncertainty include:

- Accounts receivable, recorded as $141,694 includes fines of $84,979 (2015 - $71,015). Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $8,157 (2015 - $7,383) are based on the actual percentage satisfied in this manner from April 1, 2015 to March 31, 2016 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

- The provision for doubtful accounts, recorded as $10,675 (2015 - $10,545), is based on the actual percentage of fines written off from April 1, 2015 to March 31, 2016 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2016 will not be collected.

- Accounts payable and accrued liabilities, recorded as $242,549 (2015 - $237,597) include an estimate of $54,301 (2015 - $52,373) for unsettled claims under the Motor Vehicle Accident Claims Program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 11).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the department's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Debt/ Net Financial Assets.

d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/ or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The department has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 GOVERNMENT REORGANIZATIONS

(in thousands)

Effective April 1, 2015, the department received funding for legal officers who were assigned to other ministries as per the Legal Services Protocol. The department also received funding for a Public Affairs Officer and a Fish and Wildlife staff member. Comparative figures for 2015 have been restated as if the department had always been assigned with its current responsibilities.

Net Assets on March 31, 2015 are made up as follows:

	As Previously Reported	Legal Services Protocol Transfer	Others Increase/ Decrease	As Restated
Revenues	$ 225,054	$ -	$ -	$ 225,054
Expenses	1,301,401	350	561	1,302,312
Annual Deficit	(1,076,347)	(350)	(561)	(1,077,258)
Net Financing Provided from General Revenue	1,171,737	350	561	1,172,648
Net Assets at March 31, 2014	152,232	-	-	152,232
Net Assets at March 31, 2015	$ 247,622	$ -	$ -	$ 247,622

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016				2015
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 27,949	$ -	$ -	$ 27,949	$ 30,156
Fines – Provincial	32,353	3,566	2,646	26,141	23,525
Fines – Federal	21,239	3,588	2,854	14,797	15,846
Ticket Processing	31,387	1,003	985	29,399	17,966
Fines – Late Payment Penalty	27,656	-	1,790	25,866	20,598
Other	19,942	-	2,400	17,542	18,188
	$ 160,526	$ 8,157	$ 10,675	$ 141,694	$ 126,279

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2016	2015
PPSA Service Agreement	$ 61,092	$ 54,175
Motor Vehicle Acident Claim	54,301	52,373
Other Program Expenses	127,156	131,049
	$ 242,549	$ 237,597

NOTE 6 DEFERRED CAPITAL CONTRIBUTIONS

(in thousands)

Unspent deferred capital contribution and transfers

	2016	2015
Balance at beginning of year	$ 296	$ -
Cash contributions received/receivable during year	-	296
Transferred to spent deferred capital contributions	-	-
Balance at end of year	$ 296	$ 296

The department received a $296 capital contribution in 2015 from the City of Calgary (the City) to increase the height of a radio tower as part of the Alberta First Responders Radio Communications System (AFRRCS) project to meet the City's specific requirements. The AFRRCS project is currently part of Work in Progress and is disclosed in Note 8.

NOTE 7 DEFERRED REVENUE

(in thousands)

	2016	2015
Balance, beginning of year	$ 2,607	$ 5,645
Received/receivable during year	2,558	2,607
Less amounts recognized as revenue	(2,607)	(5,645)
Balance, end of year	$ 2,558	$ 2,607

The end of year balance includes deferred revenue of $1,498 (2015 - $1,751) for motor vehicle accident claim fees collected pursuant to the *Motor Vehicle Accident Claims Act*, $851 (2015 - $784) for fees and licenses collected pursuant to the *Security Services and Investigators Act*, $52 (2015 - $72) for the Forensic and DNA Research program and $157 (2015 - $0) for Enhanced Policing Agreement.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2016

NOTE 8 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment[1]	Computer Hardware and Software[2]	Work in Progress[3]	2016 Total	2015 Total (Restated)
Estimated Useful Life	3 - 40 years	3 -10 years			
Historical Cost					
Beginning of Year	$ 44,661	$ 106,835	$ 321,410	$ 472,906	$ 382,617
Prior Year Adjustments[4][5]	(10,770)	4,658	(438)	(6,550)	(4,266)
Additions	700	4,505	48,390	53,595	99,037
Transfer-In /(Out)	-	87	-	87	(3,941)
Disposals, Including Write-downs	(351)	(1,440)	-	(1,791)	(541)
	$ 34,240	$ 114,645	$ 369,362	$ 518,247	$ 472,906
Accumulated Amortization					
Beginning of Year	26,981	94,825	-	121,806	108,430
Prior Year Adjustments	(1,206)	(4,200)	-	(5,406)	-
Amortization Expense	2,200	10,204	-	12,404	15,386
Transfer-In /(Out)	-	54	-	54	(1,505)
Effect of Disposals	(341)	(1,418)	-	(1,759)	(505)
	27,634	99,465	-	127,099	121,806
Net Book Value at March 31, 2016	$ 6,606	$ 15,180	$ 369,362	$ 391,148	
Net Book Value at March 31, 2015	$ 17,680	$ 12,010	$ 321,410		$ 351,100

(1) Equipment includes vehicles, office furnishings and other equipment.
(2) In 2015, a portion of Alberta Police Integrated Information Initiative (API3), with a net book value of $2,266, was transferred (grant in kind) to select police agencies.
(3) Work in Progress includes $368,093 (2015 - $317,722) for the Alberta First Responders Radio System (AFRRCS).
(4) Prior Year Adjustments include re-categorizations between asset categories and a write-off of $705.
(5) Work in Progress Prior Year Adjustment of $438 (2015- $4,266) pertains to a refund received for the Alberta First Responders Radio System (AFRRCS).

NOTE 9 CONTINGENT LIABILITIES

(in thousands)

The department is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2013, accruals totaling $1 (2015 - $1) have been recorded as a liability. The total amount claimed for all likely claims is $5,277 (2015 - $3,727). The accrual provided for these claims represents the department's portion of the liability. Included in the total likely claims are claims covered in whole or in part by the Alberta Risk Management Fund. The resulting additional liability, if any, from likely claims in excess of the amounts accrued is not determinable.

The department has been named in one hundred and seventy three (2015 - one hundred and sixty three) claims of which the outcome is not determinable.

Of these claims, one hundred and fifty five (2015 - one hundred and forty one) have specified amounts totaling $247,152 (2015 - $213,622). The remaining eighteen (2015 - twenty two) claims have no amounts specified. Included in the total claims, one hundred and fifty two claims totaling $175,431 (2015 - one hundred and forty claims totaling $166,323) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 10 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2016, the department has contractual obligations under operating leases, contracts, and programs totaling $1,008,983 (2015 - $1,207,185). This includes a commitment for the Provincial Police Service Agreement (PPSA) of $710,408 (2015 - $741,721). The PPSA with the Government of Canada is a contract for the Royal Canadian Mounted Police (RCMP) to provide policing services to small communities and rural areas in Alberta. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31 in any year.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2016-17	$ 418,601
2017-18	341,530
2018-19	245,252
2019-20	2,538
2020-21	624
Thereafter	438
	$ 1,008,983

NOTE 11 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. The *Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice and Solicitor General must receive a court judgment. In accordance with the *Act*, liabilities for personal injury claims are accrued when a court ordered judgment is received.

At March 31, 2016, accrued liabilities for motor vehicle accident claims for which a court order was received amounted to $632 (2015 - $592), which are included in the total program expenditures of $25,670 (2015 - $21,063). There were one thousand and two unsettled motor vehicle accident claims under this program at March 31, 2016 (2015 - one thousand and twenty four claims) amounting to $192,584 (2015 - $116,760). Of these unsettled claims, it was estimated that approximately $50,946 (2015 - $48,839) may arise from court ordered judgments, to be received, and have been recorded as a liability.

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2016, is $3,354 (2015 - $3,534) and has been recorded as a liability. As at March 31, 2016, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $7,755 (2015 - $8,148).

NOTE 12 BENEFIT PLANS

(in thousands)

The department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $75,725 for the year ended March 31, 2016 (2015 - $74,576). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

NOTE 12 BENEFIT PLANS (Cont'd)

(in thousands)

The department participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $15,489 for the year ended March 31, 2016 (2015 - $9,797).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported a surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan a surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 13 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The department administers trust funds that are regulated funds consisting of public money over which the legislature has no power of appropriation. Because the province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the department's financial statements.

As at March 31, 2016 trust funds under administration were as follows:

	2016	2015
Various Court Offices and Fines Distribution Trust[1]	$ 160,831	$ 138,065
Maintenance Enforcement Trust[2]	10,788	11,123
Solicitors Trust[3]	9,429	7,635
Institutional Trust[4]	1,152	1,048
	$ 182,200	$ 157,871

(1) The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund receipts exceeded trust fund disbursements in 2016 by $22,766 (2015 - $11,581).

(2) The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund disbursements exceeded trust fund receipts in 2016 by $335 (2015 – trust fund disbursements exceeded trust fund receipts by $26).

(3) The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2016 included $200 (2015 - $199) of civil law funds and $9,229 (2015 - $7,436) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2016 by $1,794 (2015 - $561).

(4) Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2016, the amount of the trust funds held under administration was $1,152 (2015 - $1,048) which was comprised of inmate trust funds of $509 (2015 - $460) and inmate welfare fund equity of $643 (2015 - $588).

NOTE 14 PAYMENTS UNDER AGREEMENT

(in thousands)

The department has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), the Government of Canada (GC), and the Government of Yukon Territory (Yukon). Costs under these agreements are incurred by the department under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $24 (2015 - $27) from the GNWT, $13 (2015 - $9) from the GN, $142 (2015 - $93) from the GC, and $28 (2015 -$71) from Yukon relating to payments under agreement.

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

The agreement with the Yukon is for the purpose of conducting investigations of Serious Incidents respecting members of the Territorial Police Service.

Amounts paid and payable under agreements with program sponsors are as follows:

	2016	2015 (Restated)
Medical Examiner Services – GNWT	$ 113	$ 116
Medical Examiner Services – GN	29	45
Enhanced French Language Training – GC	176	169
Territorial Police Services - Yukon	230	71
	$ 548	$ 401

The department has also entered into an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of the Department of Justice Canada (Justice Canada). Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the department under authority in Section 25 of the *Financial Administration Act*. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements. For the year ended March 31, 2016, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are $2,276 (2015 - $1,685) and are reflected in the Statement of Financial Position.

NOTE 15 SUBSEQUENT EVENT

In May 2016, wildfires seriously affected Fort McMurray and surrounding communities. The government is in the process of providing financial assistance for uninsurable loss and damage through its Disaster Recovery Programs (DRP). The DRP is administered and funded by Alberta Emergency Management Agency through the authority of the Disaster Recovery Regulation.

The Province, subject to certain criteria, may recover part of the above costs from the federal government through the Disaster Financial Assistance Arrangement, pending approval through its Order in Council.

The financial impact on the department may be significant but is uncertain at this stage.

NOTE 16 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the senior financial officer and the deputy minister.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 1**
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual (Restated)
	(in thousands)		
Government Transfers			
Federal Government Grants			
Youth Justice Program	$ 15,551	$ 14,367	$ 14,680
Legal Aid	10,808	10,808	10,910
Other	6,971	7,233	10,089
	33,330	32,408	35,679
Premiums, Fees and Licences			
Motor Vehicle Accident Claims Fees	23,600	22,849	22,774
Court Fees	20,857	21,160	14,402
Security Services and Investigator Fees	1,800	1,571	1,471
Other	521	945	759
	46,778	46,525	39,406
Investment Income	395	690	805
Other Revenue			
Fines	133,107	121,844	82,816
Fines - Late Payment Penalty	25,200	34,160	27,387
Maintenance Enforcement Program	14,974	14,356	15,189
Recoveries for Enhanced Policing Services	8,666	7,726	6,935
Motor Vehicle Accident Recoveries	7,179	7,635	6,477
Miscellaneous	7,945	14,763	10,360
	197,071	200,484	149,164
Total Revenues	$ 277,574	$ 280,107	$ 225,054

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS
CREDIT OR RECOVERY
Year ended March 31, 2016

	2016			
	Authorized	Actual Revenue Recognized	Total Revenue Received/ Receivable	(Shortfall)/ Excess [6]
	(in thousands)			
Maintenance Enforcement [2]	$ 5,874	$ 5,389	$ 5,389	$ (485)
Provincial Civil Claims [3]	1,200	1,233	1,233	33
Ticket Processing [4]	38,130	38,130	38,130	-
Edmonton Regional Airport Authority [5]	3,140	2,805	2,805	(335)
	$ 48,344	$ 47,557	$ 47,557	$ (787) [1]

This Schedule is required by Section 24(3) of the Financial Administration Act.

(1) The revenue of each credit or recovery is included in the Statement of Operations and Schedule 1.

(2) Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

(3) Provincial Civil Claims revenues represent funding from fees levied to commence action in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

(4) Ticket Processing revenues represent the Province's share of *Traffic Safety Act* ticket revenue used to fund expenses incurred in processing and handling violation tickets issued under the *Traffic Safety Act*.

(5) Edmonton Regional Airport Authority revenues are received on a full cost recovery basis from the Edmonton Regional Airport Authority for policing services provided to the Edmonton International Airport under the Provincial Police Service Agreement.

(6) Shortfall is deducted from current year's authorized spending, as disclosed in Schedule 4 to the financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 3**
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual (Restated)
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 713,117	$ 722,093	$ 709,232
Supplies and Services	395,534	384,524	368,082
Grants	180,288	180,237	184,321
Amortization of Tangible Capital Assets	17,482	12,404	15,386
Other	21,954	29,802	25,916
Total Expenses before Recoveries	1,328,375	1,329,060	1,302,937
Less Recovery from Support Service Arrangements with Related Party [1]	(625)	(625)	(625)
	$ 1,327,750	$ 1,328,435	$ 1,302,312

[1] The department provides financial and administrative services to the Human Rights Education and Multiculturalism Fund. Costs incurred by the department for these services were recovered from the Human Rights Education and Multiculturalism Fund.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016

Schedule 4

		Voted Estimate [1]	Supplymentary Estimate [2]	Adjustments [3]	Adjusted Voted Estimate	Voted Actuals [4]	Unexpended (Over Expended)
Program - Operating Expense							
1 Ministry Support Services							
1.1	Minister's Office	$ 819	$ -	$ -	$ 819	$ 987	$ (168)
1.2	Deputy Ministers' Offices	1,221	-	-	1,221	1,439	(218)
1.3	Communications	1,839	-	-	1,839	1,932	(93)
1.4	Corporate Services	16,490	-	-	16,490	13,430	3,060
1.5	Human Resources	12,566	-	-	12,566	11,978	588
1.6	Information Management and Technology Services	20,860	-	-	20,860	17,912	2,948
		53,795	-	-	53,795	47,678	6,117
2 Resolution and Court Administration Services							
2.1	Program Support	11,819	-	-	11,819	14,199	(2,380)
2.2	Access to Justice	9,281	-	-	9,281	10,072	(791)
2.3	Ticket Processing	38,130	-	-	38,130	38,130	-
2.4	Provincial Civil Claims	1,200	-	-	1,200	1,200	-
2.5	Provincial Court of Alberta	94,830	-	-	94,830	90,965	3,865
2.6	Alberta Court of Queen's Bench	27,803	-	-	27,803	29,946	(2,143)
2.7	Alberta Court of Appeal	7,097	-	-	7,097	6,281	816
2.8	Family Justice Services	8,969	-	-	8,969	9,114	(145)
		199,129	-	-	199,129	199,907	(778)
3 Legal Services							
3.1	Civil Law	52,386	-	-	52,386	52,541	(155)
3.2	Legislative Counsel	2,828	-	-	2,828	2,733	95
3.3	Law Reform	200	-	-	200	215	(15)
		55,414	-	-	55,414	55,489	(75)
4 Alberta Crown Prosecution Service							
4.1	Program Support	6,232	-	-	6,232	8,027	(1,795)
4.2	Appeals and Prosecution Policy	7,444	-	-	7,444	6,847	597
4.3	General Prosecutions	68,153	-	-	68,153	68,285	(132)
4.4	Specialized Prosecutions	10,725	-	-	10,725	11,892	(1,167)
		92,554	-	-	92,554	95,051	(2,497)

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016

Schedule 4 (Cont'd)

		Voted Estimate [1]	Supplymentary Estimate [2]	Adjustments [3]	Adjusted Voted Estimate	Voted Actuals [4]	Unexpended (Over Expended)
5 Support for Legal Aid		66,000	-	-	66,000	66,000	-
6 Justice Services							
6.1	Program Support	8,194	-	-	8,194	7,549	645
6.2	Maintenance Enforcement	21,403	-	-	21,403	19,954	1,449
6.3	Office of the Chief Medical Examiner	12,304	-	-	12,304	11,185	1,119
6.4	Property Rights Advocate Office	508	-	-	508	522	(14)
		42,409	-	-	42,409	39,210	3,199
7 Public Security							
7.1	Program Support	1,160	-	-	1,160	2,194	(1,034)
7.2	Law Enforcement Review Board	804	-	-	804	601	203
7.3	Alberta Serious Incident Response Team	3,044	-	-	3,044	3,365	(321)
7.4	Policy and Program Development	6,273	-	-	6,273	6,111	162
7.5	Law Enforcement Standards and Audits	2,786	-	-	2,786	2,472	314
7.6	Contract Policing and Policing Oversight	240,991	-	-	240,991	239,449	1,542
7.7	First Nations Policing	11,120	-	-	11,120	11,046	74
7.8	Policing Assistance to Municipalities	84,640	-	-	84,640	84,652	(12)
7.9	Organized and Serious Crime	26,487	-	-	26,487	26,267	220
7.10	Sheriffs Protection Services	11,924	-	-	11,924	11,349	575
7.11	Sheriffs Court Security and Prisoner Transport	40,965	-	-	40,965	43,663	(2,698)
7.12	Traffic Sheriffs	15,765	-	-	15,765	14,623	1,142
7.13	Fish and Wildlife Enforcement	22,298	-	-	22,298	21,807	491
7.14	Commercial Vehicle Enforcement	15,594	-	-	15,594	13,814	1,780
7.15	Parks Conservation Enforcement	2,822	-	-	2,822	2,842	(20)
7.16	Alberta First Responders Radio Communications System	12,003	-	-	12,003	10,645	1,358
		498,676	-	-	498,676	494,900	3,776

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016

Schedule 4 (Cont'd)

		Voted Estimate [1]	Supplymentary Estimate [2]	Adjustments [3]	Adjusted Voted Estimate	Voted Actuals [4]	Unexpended (Over Expended)
8 Correctional Services							
8.1	Program Support	3,285	-		3,285	4,388	(1,103)
8.2	Adult Remand and Correctional Centres	186,946	8,000	-	194,946	193,954	992
8.3	Young Offender Centres	21,134	-	-	21,134	22,988	(1,854)
8.4	Adult Community Correctional Services	44,126	-	-	44,126	41,305	2,821
8.5	Young Offender Community Correctional Services	11,161	-	-	11,161	10,747	414
		266,652	8,000	-	274,652	273,382	1,270
9 Alberta Human Rights							
9.1	Alberta Human Rights Commission	6,524	-	-	6,524	6,282	242
9.2	Assistance to the Human Rights Education and Multiculturalism Fund	1,735	-	-	1,735	1,735	-
		8,259	-	-	8,259	8,017	242
	Credit or Recovery (Shortfall) (Schedule 2)	$	$	$ (787)	$ (787)	$	$ (787)
	Total	$ 1,282,888	$ 8,000	$ (787)	$ 1,290,101	$ 1,279,634	$ 10,467
	Lapse/(Encumbrance)						**$ 10,467**

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2016

	Voted Estimate [1]	Supplymentary Estimate [2]	Adjustments [3]	Adjusted Voted Estimate	Voted Actuals [4]	Unexpended (Over Expended)
Program - Capital Investment						
Ministry Support Services	$ 1,105	$	$	$ 1,105	$ 1,088	$ 17
Resolution and Court Administration Services	1,000			1,000	929	71
Alberta Crown Prosecution Service	-			-	14	(14)
Justice Services	620			620	177	443
Public Security	67,234		(600)	66,634	51,240	15,394
Correctional Services	150			150	147	3
Total	$ 70,109	$ -	$ (600)	$ 69,509	$ 53,595	$ 15,914
Lapse/(Encumbrance)						**$ 15,914**

This Schedule is required by Section 24(4) of the Financial Administration Act.

(1) As per "Expense Vote by Program" and "Capital Investment Vote by Program" and "Financial Transaction Vote by Program" page of 2015-16 Government Estimates.

(2) Per the Supplementary Supply Estimates approved on March 9, 2016.

(3) Adjustments include encumbrances, capital carry forward amounts and credit or recovery increases approved by Treasury Board and credit or recovery shortfalls. An encumbrance is incurred when, on a vote by vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding voted estimate in the current year.

(4) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 5**
SCHEDULE TO FINANCIAL STATEMENTS
LOTTERY FUND ESTIMATES
Year ended March 31, 2016

	2015-16 Lottery Fund Estimates	2015-16 Actual	Unexpended (Over Expended)
		(in thousands)	
Alberta Human Rights	$ 1,735	$ 1,735	$ -

The revenue of the Lottery Fund was transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund in 2013-14. Having been transferred to the General Revenue Fund, these monies then become part of the department's supply vote. This table shows details of the initiatives within the department that are funded by Lottery Fund and compares it to the actual results.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 6**
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year ended March 31, 2016

	2016				2015 (Restated)
	Base Salary[1]	Other Cash Benefits[2]	Other Non-Cash Benefits[3]	Total	Total
	(in thousands)				
Senior Officials:					
Deputy Minister of Justice and Deputy Solicitor General[4]	$ 212	$ 6	$ 45	$ 263	$ 362
Deputy Attorney General and Associate Deputy Minister Justice and Solicitor General [5][6][7]	75		20	95	386
Associate Deputy Solicitor General [8]	297	6	83	386	20
Chief of the Commission and Tribunals, Alberta Human Rights Commission	278	11	66	355	325
Executives:					
Assistant Deputy Ministers					
Corporate Services[9]	196		53	249	768
Resolution and Court Administration Services [10]	268		77	345	246
Alberta Crown Prosecution Services[10]	207		47	254	335
Legal Services	216		57	273	256
Justice Services	190		52	242	227
Public Security	204		54	258	246
Correctional Services	181		49	230	227

(1) Base salary includes regular salary and earnings such as acting pay.

(2) Other cash benefits include vacation payouts, lump sum payments and car allowance. There were no bonuses paid in 2016.

(3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships, tuition fees and the Health Spending Account.

(4) The individual is not paid a salary but is engaged through a contract for services between the Ministry and the individual's employer. The contract amount paid to the individual's employer is $254.

(5) The Deputy Attorney General was assigned the additional role of Acting Deputy Ministry of Justice and Solicitor General until July 5, 2015.

(6) Automobile provided, no dollar amount included in other non-cash benefits.

(7) The position was eliminated on July 5, 2015.

(8) This position was created March 2015.

(9) 2015 has been restated to include $308 of severance benefits paid in 2015-16 due to organizational restructuring, which consolidated two positions.

(10) The position was occupied by two individuals at different times during the year.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 7**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the department.

The department and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Ministry of Energy	$ -	$ -	$ 308	$ 308
Expenses – Directly Incurred				
Service Alberta	$ -	$ -	$ 11,542	$ 13,362
Grants	1,735	1,735	-	-
Other Services	-	-	1,400	1,524
	$ 1,735	$ 1,735	$ 12,942	$ 14,886
Receivable from	$ 156	$ 1	$ 1,819	$ 2,342
Payable to	$ -	$ 13	$ 8	$ -
Contractual Obligations	$ -	$ -	$ 988	$ 415

The department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 8.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Legal Services	$ 6	$ 6	$ 45,637	$ 44,078
Expenses – Indirectly Incurred				
Accommodation	$ -	$ -	$ 153,812	$ 149,526
Service Alberta	-	-	19,842	19,874
Other Services	-	-	443	410
	$ -	$ -	$ 174,097	$ 169,810

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 8**
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year Ended March 31, 2016
(in thousands)

	2016				2015
		Expenses - Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Business Services[3]	Total Expenses	Total Expenses (Restated)
Ministry Support Services	$ 56,348	$ 5,907	$ 20,285	$ 82,540	$ 89,050
Resolution and Court Administration Services	208,439	56,402		264,841	259,033
Legal Services	56,112	2,499		58,611	57,965
Alberta Crown Prosecution Service	96,010	7,353		103,363	104,151
Support for Legal Aid	66,000	201		66,201	64,475
Justice Services	40,015	3,643		43,658	46,661
Public Security	496,985	17,120		514,105	495,738
Correctional Services	274,783	59,631		334,414	324,553
Alberta Human Rights	8,073	766		8,839	9,073
Motor Vehicle Accident Claims	25,670	290		25,960	21,423
	$ 1,328,435	$ 153,812	$ 20,285	$ 1,502,532	$ 1,472,122

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 7, allocated by square meters.

(3) Costs shown for Business Services include charges for IT support, internal audit services and other services on Schedule 7.

Human Rights Education and Multiculturalism Fund

Financial Statements

Year Ended March 31, 2016

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND

Financial Statements

Year Ended March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expenses – Directly Incurred Detailed by Object

Schedule 2 - Related Party Transactions

Schedule 3 - Allocated Costs

AUDITOR GENERAL
Alberta

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

I have audited the accompanying financial statements of the Human Rights Education and Multiculturalism Fund, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Human Rights Education and Multiculturalism Fund as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF OPERATIONS
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
	(in thousands)		
Revenues			
Internal Government Transfer			
Department of Justice and Solicitor General	$ 1,735	$ 1,735	$ 1,735
Premiums, Fees and Licences	75	41	36
Investment Income	75	37	50
Other	10	-	-
	1,895	1,813	1,821
Expenses - Directly Incurred (Note 2(b), Schedule 1 and 3)			
Programs			
Support to Community Groups	1,280	1,246	1,277
Education Programs	615	532	456
	1,895	1,778	1,733
Annual Surplus	$ -	$ 35	$ 88

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	2015
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 3)	$ 3,891	$ 4,175
Accounts Receivable	-	4
	3,891	4,179
Liabilities		
Accounts Payable and Accrued Liabilities (Note 4)	415	740
Net Financial Assets	3,476	3,439
Non-Financial Assets		
Tangible Capital Assets (Note 5)	12	14
Net Assets	$ 3,488	$ 3,453
Net Assets at Beginning of Year	$ 3,453	$ 3,365
Annual Surplus	35	88
Net Assets at End of Year	$ 3,488	$ 3,453

Contractual Obligations (Note 6)

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
	(in thousands)		
Annual Surplus	$ -	$ 35	$ 88
Amortization of Tangible Capital Assets (Note 5)	-	2	2
Increase in Net Financial Assets	$ -	$ 37	$ 90
Net Finanical Assets at Beginning of Year	3,439	3,439	3,349
Net Financial Assets at End of Year	$ 3,439	$ 3,476	$ 3,439

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015
	(in thousands)	
Operating Transactions		
Annual Surplus	$ 35	$ 88
Non-cash Items Included in Net Operating Results		
Amortization of Tangible Capital Assets (Note 5)	2	2
(Increase) Decrease in Accounts Receivable	4	(4)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	(325)	715
Cash (Applied to) Provided by Operating Transactions	(284)	801
Increase (Decrease) in Cash and Cash Equivalents	(284)	801
Cash and Cash Equivalents at Beginning of Year	4,175	3,374
Cash and Cash Equivalents at End of Year	$ 3,891	$ 4,175

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Human Rights Education and Multiculturalism Fund (the fund) operates under the authority of the *Alberta Human Rights Act*, Chapter A-25.5, Revised Statutes of Alberta 2000.

The purpose of the fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the *Alberta Human Rights Act*.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Human Rights Education and Multiculturalism Fund, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable.

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting.

Government Transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the fund's actions and communications as to the use of transfers, create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the fund complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the fund meets eligibility criteria (if any).

Expenses
Directly Incurred
Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses (Cont'd)
Directly Incurred (Cont'd)

In addition to program operating expenses such as supplies, etc., directly incurred expenses also include amortization of tangible capital assets.

Grants are recognized as expenses when authorized and eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by related other entities in support of the fund's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the fund are limited to financial claims, such as advances to and receivables from other organizations, and other individuals.

Accounts Receivable
Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Liabilities
Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

a) are normally employed to deliver government services;
b) may be consumed in the normal course of operations; and
c) are not for sale in the normal course of operations.

Non-financial assets of the fund are limited to tangible capital assets.

Tangible Capital Assets
Tangible capital assets of the fund are recorded at historical cost and amortized on a straight-line basis over the estimate useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000.The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is put into service.

Assets acquired by right are not included.

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the fund's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Financial Assets.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/ or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The fund has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents consist of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF have a time weighted return of 0.83% (2015 - 1.18%) per annum.

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2016	2015
Grants to Non-Profit Organizations	$ 253	$ 724
Other Program Expenses	162	16
	$ 415	$ 740

NOTE 5 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment [1]
Estimated Useful Life	3-40 years
Historical Cost	
Beginning of Year	$ 17
Additions	-
	$ 17
Accumulated Amortization	
Beginning of Year	3
Amortization Expense	2
	5
Net Book Value at March 31, 2016	$ 12
Net Book Value at March 31, 2015	$ 14

[1] Equipment includes video conference equipment.

NOTE 6 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2016, the fund has obligations under contracts and programs totalling $187 (2015 - $40).

Estimated payment requirements for each of the next two years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2016-17	$ 167
2017-18	20
	$ 187

NOTE 7 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 8 APPROVAL OF FINANCIAL STATMENTS

The financial statements were approved by the senior financial officer and the deputy minister.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 1**
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
	(in thousands)		
Supplies and Services	$ 270	$ 185	$ 109
Supplies and Services from Support Service Arrangements with Related Parties [1]	625	625	625
Grants	1,000	966	997
Amortization of Tangible Capital Assets	-	2	2
	$ 1,895	$ 1,778	$ 1,733

[1] The fund receives financial and administrative services from the Department of Justice and Solicitor General.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The fund paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Revenues				
Transfer from the Department of Justice and Solicitor General	$ 1,735	$ 1,735	-	-
Payable to	$ 156	$ -	$ 6	$ 14

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Other Entities	
	2016	2015
Expenses – Incurred by Others		
Accommodation	$ 79	$ 285
	$ 79	$ 285

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 3**
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2016
(in thousands)

Program	2016 Expenses [1]	2016 Expenses - Incurred by Others: Accommodation Costs[2]	2016 Total Expenses	2015 Total Expenses
Support to Community Groups	$ 1,246	$ 79	$ 1,325	$ 1,500
Education Programs	532		532	518
	$ 1,778	$ 79	$ 1,857	$ 2,018

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square meters.

Victims of Crime Fund

Financial Statements

Year Ended March 31, 2016

VICTIMS OF CRIME FUND

Financial Statements

Year Ended March 31, 2016

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Change in Net Financial Assets

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expenses – Directly Incurred Detailed by Object

Schedule 2 - Related Party Transactions

Schedule 3 - Allocated Costs

AUDITOR GENERAL *Alberta*

Independent Auditor's Report

To the Minister of Justice and Solicitor General

Report on the Financial Statements

I have audited the accompanying financial statements of the Victims of Crime Fund, which comprise the statement of financial position as at March 31, 2016, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Victims of Crime Fund as at March 31, 2016, and the results of its operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher FCPA, FCA]

Auditor General

June 6, 2016

Edmonton, Alberta

VICTIMS OF CRIME FUND
STATEMENT OF OPERATIONS
Year ended March 31, 2016

	2016 Budget	2016 Actual	2015 Actual
		(in thousands)	
Revenues			
Government Transfers			
Federal Government Grants	$ 200	$ 453	$ 267
Investment Income	500	409	547
Other			
Federal Surcharge	2,000	2,827	2,188
Provincial Fine Surcharge	43,200	44,734	33,524
Expenditure Refunds	-	375	217
	45,900	48,798	36,743
Expenses - Directly Incurred (Note 2(b) and Schedule 1 and 3)			
Programs			
Financial Benefits	15,179	19,239	13,553
Assistance to Victims' Organizations	16,982	16,246	15,601
Criminal Injuries Review Board	456	311	407
Program Support Services	580	578	583
	33,197	36,374	30,144
Annual Surplus	$ 12,703	$ 12,424	$ 6,599

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2016

	2016	2015
	(in thousands)	
Financial Assets		
Cash and Cash Equivalents (Note 3)	$ 55,391	$ 46,163
Accounts Receivable (Note 4)	28,344	23,041
	83,735	69,204
Liabilities		
Accounts Payable and Accrued Liabilities (Note 5)	28,264	25,703
Net Financial Assets	55,471	43,501
Non-Financial Assets		
Tangible Capital Assets (Note 6)	454	-
Net Assets	$ 55,925	$ 43,501
Net Assets at Beginning of Year	$ 43,501	$ 36,902
Annual Surplus	12,424	6,599
Net Assets at End of Year	$ 55,925	$ 43,501

Contractual Obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
Year ended March 31, 2016

	2016		2015
	Budget	Actual	Actual
	(in thousands)		
Annual Surplus	$ 12,703	$ 12,424	$ 6,599
Acquisition of Tangible Capital Assets	(25)	(454)	-
Amortization of Tangible Capital Assets (Note 6)	9	-	-
Loss on Sale of Tangible Capital Assets	-	-	8
Increase in Net Financial Assets	$ 12,687	$ 11,970	$ 6,607
Net Financial Assets at Beginning of Year	43,501	43,501	36,894
Net Financial Assets at End of Year	$ 56,188	$ 55,471	$ 43,501

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
STATEMENT OF CASH FLOWS
Year ended March 31, 2016

	2016	2015
	(in thousands)	
Operating Transactions		
Annual Surplus	$ 12,424	$ 6,599
Non-cash Items Included in Net Operating Results		
Loss on Disposal of Tangible Capital Assets	-	8
(Increase) in Accounts Receivable	(5,303)	(1,378)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	2,561	(5,099)
Cash Provided by Operating Transactions	9,682	130
Capital Transactions		
Acquisition of Tangible Capital Assets (Note 6)	(454)	-
Cash (Applied to) Capital Transactions	(454)	-
Increase in Cash and Cash Equivalents	9,228	130
Cash and Cash Equivalents at Beginning of Year	46,163	46,033
Cash and Cash Equivalents at End of Year	$ 55,391	$ 46,163

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2016

NOTE 1 AUTHORITY AND PURPOSE

The Victims of Crime Fund (the fund) operates under the authority of the *Victims of Crime Act*, Chapter V-3, Revised Statutes of Alberta 2000.

The purpose of the fund is to provide grants to victims' programs and to pay benefits to victims, or their dependents, who suffer injury or death as the result of a criminal offence specified in the regulations of the *Victims of Crime Act*, using provincial and federal surcharge revenues.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian public sector accounting standards.

(a) Reporting Entity

The reporting entity is the Victims of Crime Fund, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable.

(b) Basis of Financial Reporting

Revenue
All revenues are reported on the accrual basis of accounting.

Government Transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the eligibility criteria of the transfer, or the stipulations together with the fund's actions and communications as to the use of transfers, create a liability. These transfers are recognized as revenues as the stipulations are met and, when applicable, the fund complies with its communicated uses of these transfers.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the transfer is authorized and the fund meets eligibility criteria (if any).

Deferred Revenue
Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses

Directly Incurred

Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recognized as expenses when authorized and eligibility criteria, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the fund's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets of the fund are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Accounts Receivable

Accounts receivable are recorded at the lower of cost or net recoverable value. A valuation allowance is recorded when recovery is uncertain.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Liabilities
Liabilities are present obligations of a government to others arising from past transactions or events, the settlement of which is expected to result in future sacrifice of economic benefits.

Non-Financial Assets

Non-financial assets are acquired, constructed or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

a) are normally employed to deliver government services;
b) may be consumed in the normal course of operations; and
c) are not for sale in the normal course of operations.

Non-financial assets of the fund are limited to tangible capital assets.

Tangible Capital Assets
Tangible capital assets of the fund are recorded at historical cost and amortized on a straight-line basis over the estimate useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is put into service.

Assets acquired by right are not included.

Measurement Uncertainty
(*in thousands*)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount in the financial statements and another reasonably possible amount.

The areas subject to measurement uncertainty include:

- Accounts receivable recorded as $28,344 (2015 - $23,041) excludes certain outstanding federal statute surcharges and provincial statute fine surcharges that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the surcharge. Outstanding surcharges expected to be satisfied by other means of $5,199 (2015 - $3,659) are based on the actual percentage satisfied in this manner from April 1, 2015 to March 31, 2016 and have been deducted from total outstanding surcharges. Changes in the proportion of surcharges satisfied by other means may have a material effect on future operating results.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty (Cont'd)
(*in thousands*)

- Provision for doubtful accounts recorded as $906 (2015 - $994) is based on the actual percentage of surcharges written off from April 1, 2015 to March 31, 2016.

- Financial benefits program (Note 8) liabilities total $25,256 (2015 - $22,484) and include:
    - financial benefits recorded in the amount of $9,765 (2015 - $7,155);
    - supplemental financial benefits in the amount of $8,602 (2015 - $8,078); and
    - compensation claims in the amount of $6,889 (2015 - $7,251).

(c) Change in Accounting Policy

A net debt presentation (with reclassification of comparatives) has been adopted for the presentation of financial statements. Net Debt or Net Financial Assets is measured as the difference between the fund's financial assets and liabilities.

The effect of this change results in changing the presentation of the Statement of Financial Position and adding an additional Statement of Change in Net Financial Assets.

(d) Future Accounting Changes

In June 2015 the Public Sector Accounting Board issued these following accounting standards:

- **PS 2200 Related Party Disclosures and PS 3420 Inter-entity Transactions (effective April 1, 2017)**
  PS 2200 defines a related party and establishes disclosures required for related party transactions; PS 3420 establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. Management is currently assessing the impact of these standards on the financial statements.

- **PS 3210 Assets, PS 3320 Contingent Assets, and PS 3380 Contractual Rights (effective April 1, 2017)**
  PS 3210 provides guidance for applying the definition of assets set out in FINANCIAL STATEMENT CONCEPTS, Section PS 1000, and establishes general disclosure standards for assets; PS 3320 defines and establishes disclosure standards on contingent assets; PS 3380 defines and establishes disclosure standards on contractual rights. Management is currently assessing the impact of these standards on the financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(d) Future Accounting Changes (Cont'd)

- **PS 3430 Restructuring Transactions (effective April 1, 2018)**
  This standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/ or liabilities, together with related program or operating responsibilities. Management is currently assessing the impact of these standards on the financial statements.

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard effective April 1, 2019. The fund has not yet adopted this standard and has the option of adopting it in fiscal year 2019-20 or earlier. Adoption of this standard requires corresponding adoption of: PS 2601 Foreign Currency Translation; PS 1201 Financial Statement Presentation; and PS 3041 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 CASH AND CASH EQUIVALENTS
(in thousands)

Cash and Cash Equivalents consist of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2016, securities held by CCITF have a time weighted return of 0.83% (2015 – 1.18%) per annum.

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2016				2015 (Restated)
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 706	$ -	$ -	$ 706	$ 564
Surcharge					
Provincial	23,218	742	729	21,747	17,470
Federal	6,669	4,457	177	2,035	1,965
Other	3,856	-	-	3,856	3,042
	$ 34,449	$ 5,199	$ 906	$ 28,344	$ 23,041

NOTE 5 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2016	2015
Grants to Non-Profit Organizations	$ 2,333	$ 2,662
Financial Benefits Program (Note 8)	25,256	22,484
Other Program Expenses	675	557
	$ 28,264	$ 25,703

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	Computer Hardware and Software	Work in Progress[1]	2016 Total	2015 Total
Estimated Useful Life	3 -10 years			
Historical Cost				
Beginning of Year	$ 414	$ -	$ 414	$ 729
Additions	-	454	454	-
Disposals, Including Write-downs	-	-	-	(315)
	$ 414	$ 454	$ 868	$ 414
Accumulated Amortization				
Beginning of Year	414	-	414	721
Amortization Expense	-	-	-	-
Effect of Disposals	-	-	-	(307)
	414	-	414	414
Net Book Value at March 31, 2016	$ -	$ 454	$ 454	
Net Book Value at March 31, 2015	$ -	$ -		$ -

(1) Work in Progress includes $454 for Alberta Victim Assistance Tracking and Reporting (AVATAR) system.

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2016, the fund has obligations under contracts and programs totaling $17,037 (2015 - $16,468).

Estimated payment requirements for each of the next three years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2017-18	$ 10,771
2018-19	5,136
2019-20	1,130
	$ 17,037

NOTE 8 FINANCIAL BENEFITS PROGRAM

(in thousands)

Financial Benefits

As at March 31, 2016, there were one thousand six hundred twenty nine (2015 – one thousand eighty five) active applications for financial benefits.

Financial Benefits liability of $9,765 (2015 - $7,155) is estimated based on historical decision patterns, average award values, and case progress at year end. Additional information may be required to determine the amount for individual cases under regulations of the *Victims of Crime Act*.

Supplemental Benefits

As at March 31, 2016, nineteen (2015 - twenty) eligible recipients received a monthly payment of $1,000 for supplemental benefits.

Supplemental benefits liability of $8,602 (2015 - $8,078) is estimated using a projection of monthly payments and statistical life expectancy figures. In addition, a present-value methodology has also been applied in calculating this estimated liability. This methodology projects benefit cost streams into the future and discounts them to present-value using a discount rate which reflects the current return on assets used to fund the liability. The injuries of a recipient receiving a supplemental financial benefit must be reviewed every 12 months to determine whether the severity of injuries is still in accordance with regulations under the *Victims of Crime Act*.

Former Crimes Compensation Board

As at March 31, 2016, twenty nine (2015 - thirty) eligible recipients received a monthly payment for compensation claims, assumed from the former Crimes Compensation Board.

Compensation claims liability of $6,889 (2015 - $7,251) is estimated using a projection of monthly payments and statistical life expectancy figures. The same present-value methodology described above for supplemental benefits has been used to calculate this estimated liability. The payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount.

NOTE 9 BENEFIT PLANS

(in thousands)

The fund participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $485 for the year ended March 31, 2016 (2015 - $452). The fund is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2015, the Management Employees Pension Plan reported a surplus of $299,051 (2014 – surplus $75,805), the Public Service Pension Plan reported a deficiency of $133,188 (2014 – deficiency $803,299) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $16,305 (2014 – deficiency $17,203).

The fund also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2016, the Bargaining Unit Plan reported a surplus of $83,006 (2015 – surplus $86,888) and the Management, Opted Out and Excluded Plan a surplus of $29,246 (2015 – surplus $32,343). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2015 figures have been reclassified to conform to the 2016 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the senior financial officer and the deputy minister.

VICTIMS OF CRIME FUND
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year Ended March 31, 2016

Schedule 1

	2016		2015
	Budget	**Actual**	**Actual**
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 3,443	$ 3,628	$ 3,667
Supplies and Services	1,217	714	787
Grants	28,428	29,344	30,910
Amortization of Tangible Capital Assets	9	-	-
Provision for Financial Benefits Program	-	2,772	(5,056)
Others	100	(84)	(164)
	$ 33,197	$ 36,374	$ 30,144

VICTIMS OF CRIME FUND **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS –
RELATED PARTY TRANSACTIONS
Year ended March 31, 2016
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the fund.

The fund and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties recorded on the Statement of Operations and Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Directly Incurred				
Alberta Risk Management Fund	$ -	$ -	$ -	$ 6
Service Alberta	-	-	4	4
	$ -	$ -	$ 4	$ 10
Receivable from	$ -	$ 13	$ -	$ -
Payable to	$ -	$ -	$ 4	$ 31

The fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2016	2015	2016	2015
Expenses – Indirectly Incurred				
Accommodation	$ -	$ -	$ 337	$ 315
Legal	6	6	-	-
	$ 6	$ 6	$ 337	$ 315

VICTIMS OF CRIME FUND
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2016
(in thousands)

Schedule 3

	2016				2015
		Expenses - Incurred by Others			
Program	Expenses [1]	Accommodation Costs[2]	Legal Services[3]	Total Expenses	Total Expenses
Financial Benefits	$ 19,239	$ 121	$	$ 19,360	$ 13,671
Victims Programs	16,246	121		16,367	15,714
Criminal Injuries Review Board	311	86		397	491
Administration	578	9	6	593	589
	$ 36,374	$ 337	$ 6	$ 36,717	$ 30,465

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square meters.

(3) Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

Other Financial Information

Other Financial Information

The following information is unaudited:

Statement of Compromises and Write-offs

Civil Law Legal Services Delivery

Fine Activity Information

Fine Collection Cost Estimates

STATEMENT OF COMPROMISES AND WRITE-OFFS
For the Year Ended March 31, 2016
(Unaudited)
(in thousands)

The following Statement of Compromises and Write-offs has been prepared pursuant to Section 23 of the *Financial Administration Act*. The statement includes all compromises and write-offs that the Ministry of Justice and Solicitor General made or approved during the fiscal year.

Compromises:		
Motor Vehicle Accident Recoveries	$	10
Write-offs:		
Motor Vehicle Accident Recoveries	$	6,374
Fines		4,893
Fines – Late Payment Penalty		1,882
Abandoned and Seized Vehicles		165
Maintenance Enforcement		1,759
	$	15,073
Total Compromises and Write-offs	$	15,083

CIVIL LAW LEGAL SERVICES DELIVERY
Current and Prior Year Comparison
(Unaudited)

Staff Providing Services

Civil Law provides legal and related strategic services to all government ministries. Civil Law maintains a time keeping system to enable its lawyers, paralegals and articling students to record and report the hours of legal services provided in total to each ministry and their respective programs. In 2015-16, 296 lawyers, paralegals and articling students recorded in excess of 302,000 hours of provided legal services and in 2014-15, 301 such staff recorded more than 306,000 hours. The total hours of service to each Ministry is used as the basis to allocate legal services costs.

Cost of Legal Services

The costing methodology to estimate the costs for providing legal services for allocation to all client ministries includes the total cost of Civil Law less expenditures on contracted services and grants to third parties. A proportionate amount for support services provided by Finance and Planning, Human Resource Services, and Information Management and Technology Services Programs are included in the estimate. The estimate includes accommodation costs for office space in government owned or leased buildings as paid by and reported by the Ministry of Infrastructure and also includes all or part of salary and benefit costs for lawyers paid directly by client ministries. The estimated costs are allocated to each ministry based on the hours of service received. The Ministry of Justice and Solicitor General, as a service provider, sends the legal services cost information to each ministry for disclosure in the Related Party Transactions Schedule and the Allocated Costs Schedule to the Financial Statements of each ministry's annual report.

Current and Prior Year Comparison

The table below summarizes the estimated cost of allocated legal services, the number of hours allocated and the average hourly cost.

Cost Estimates		2015-16		2014-15
Total Civil Law Costs	$	52,859,109	$	52,381,615
Deduct Contract Services, Grants, and Amortization		1,467,952		2,023,603
	$	51,391,157	$	50,358,012
Add: Support Services		2,635,911		2,197,504
Accommodation		2,522,305		1,696,166
Client Cost for Lawyers		3,164,534		1,797,454
Total Legal Services Costs for Allocation	$	59,713,907	$	56,049,136
Number of Hours of Service Provided		302,065		306,167
Average Hourly Cost	$	197.69	$	183.07

FINE ACTIVITY INFORMATION
(Unaudited)

Federal and Provincial Statute Offences and Municipal Bylaw Offences

A management information report summarizes fine activity by the recipients entitled to the fine or penalty revenue. The municipalities receive specific provincial statute offence fines and all municipal bylaw fines for offences occurring within municipal boundaries. The majority of municipal fine activity occurs in cities, towns, counties and municipal districts. The Alberta government receives fine revenue for provincial statute offences occurring on primary highways and other specific provincial statute offences. The Alberta government receives any late payment penalties on overdue fines and some fines under the *Criminal Code of Canada* and retained 16 2/3 per cent of *Traffic Safety Act* fines prior to April 30, 2015. Effective May 1, 2015, the Alberta government retains 26 2/3 per cent of *Traffic Safety Act* fines. The Victims of Crime Fund receives a 15 per cent surcharge on all provincial statute fines and a 30 per cent surcharge on selected federal statute offences. These surcharge revenues are used to fund victims programs in Alberta. The federal government receives fine revenue for federal statute offences and selected fines under the *Criminal Code*.

The tables below summarize fines payments for the twelve months from April 2015 to March 2016 and for the twelve months from April 2014 to March 2015 by the recipient level of government.

Fine Payments – April 2015 to March 2016

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	2,213,164	$ 201,267,380	53.5%
Alberta Government	236,145	39,858,214	10.6%
Victims of Crime Fund	Note	43,300,796	11.5%
Federal Government	1,475	957,422	0.3%
Late Payment Penalty	978,418	27,196,435	7.2%
Fine Retention	Note	63,895,533	17.0%
Total	3,429,772	$ 376,475,779	100.0%

Fine Payments – April 2014 to March 2015

Recipient	Number of Fine Payments	Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	1,976,358	$ 177,544,096	56.6%
Alberta Government	226,685	39,397,320	12.5%
Victims of Crime Fund	Note	35,189,488	11.2%
Federal Government	1,593	1,113,620	0.4%
Late Payment Penalty	944,138	24,202,896	7.7%
Fine Retention	Note	36,492,137	11.6%
Total	3,148,774	$ 313,939,557	100.0%

Note: The Number of Fine Payments for Victims of Crime Fund and Fine Retention have been accounted for in the other recipient categories.

FINE COLLECTION COST ESTIMATES
(Unaudited)

Overview

Costing methodologies have been developed to estimate the cost of collecting a provincial statute fine and the cost of collecting a federal statute (*Criminal Code* and other) fine. The estimated cost of collecting a provincial statute fine is related to the number of violation tickets received by all Provincial Court offices in Alberta. The estimated cost of collecting a federal statute fine is related to the approximate number of Fine Orders in all Provincial Court offices. The estimated costs are those incurred by Alberta Justice and Solicitor General in Resolution and Court Administration Services, Alberta Crown Prosecution Service, Justice Services, Financial Services, and Information Management and Technology Services Programs.

Estimated Cost of Collecting a Provincial Statute Fine – 2015-16 and 2014-15

There were 2.557 million violation tickets received by all Provincial Court offices in 2015-16 and 2.357 million in 2014-15. The major cost components for Resolution and Court Administration Services are the Calgary and Edmonton Provincial Traffic Courts, ticket processing costs in the Regional Provincial Courts and the cost of violation ticket printing and direct general and regional overhead expenditures. Alberta Crown Prosecution Service costs include paralegal prosecutors and support staff and first appearance centres in Calgary and Edmonton. Justice Services and Information Management and Technology Services costs are for the operation and maintenance of the Justice Online Information Network (JOIN) system applicable to violation tickets and for postage and handling of the Notice of Conviction mail-outs.

The table below summarizes the provincial statute and municipal bylaw fine payments received and the cost for violation tickets received by all provincial courts.

		2015-16	2014-15
Total Provincial Statute and Municipal Bylaw Payments Received			
Provincial Acts - Fine and Surcharge		$ 317,151,721	$ 256,108,903
Municipal Bylaw		19,144,749	18,798,027
Late Payment Penalty		27,196,437	24,202,896
Total Violation Ticket Payments	A	$ 363,492,907	$ 299,109,826
Cost for Violation Tickets Received by All Courts			
Total Estimated Cost	B	$ 38,130,000	$ 36,315,000
Cost per Dollar Collected	(B/A)	$ 0.10	$ 0.12

Estimated Cost of Collecting a Federal Statute Fine – 2015-16 and 2014-15

There were 65,754 Fine Orders in all Provincial Court offices in 2015-16 and 59,519 in 2014-15. The major cost components for Resolution and Court Administration Services are the salary and benefit costs of court staff and Provincial Court Judges with associated supplies and services costs. Alberta Crown Prosecution Service costs are primarily the salary and benefit costs of the Crown Prosecutors and for the operation and maintenance of the JOIN system applicable to criminal case tracking. Justice Services pays for the salary and other operating costs for the Fines Enforcement Unit who collects Criminal Code fines on behalf of all courts in the province.

The table below summarizes the federal statute fine payments received and the cost for all Fine Orders prepared by all Provincial Court offices.

		2015-16	2014-15
Total Federal Statute Payments Received			
Federal Acts - Fine and Surcharge	A	$ 12,985,721	$ 14,838,151
Cost for Fine Orders by All Courts			
Resolution and Court Administration Services and Alberta Crown Prosecution Service		$ 31,229,179	$ 30,518,799
Justice Services and Information Management and Technology Services		1,026,456	1,135,212
Total Estimated Cost	B	$ 32,255,635	$ 31,654,011
Cost per Dollar Collected	(B/A)	$ 2.48	$ 2.13

Annual Report Extracts and Other Statutory Reports

The *Criminal Code of Canada* requires the Minister of Justice and Solicitor General to report annually on the following parts of the *Act*.

Criminal Code s.83.31 – Anti-Terrorism Act

Section 83.31 of the *Criminal Code of Canada* requires the Attorney General of Alberta to publish an annual report on the operation of those parts of the *Act* dealing with investigative hearings and recognizance with conditions.

This constitutes the annual report of the Attorney General of Alberta covering the period from December 24, 2014 to December 24, 2015.

I. Report on the Operation of Section 83.28 and 83.29

(Investigative Hearing)

The Attorney General of Alberta reports that there were no applications initiated under these sections of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements under paragraphs 83.31(1)(a) to (c) of the *Criminal Code of Canada*.

II. Report on the Operation of Section 83.3

(Recognizance with Conditions)

The Attorney General of Alberta reports that there were no cases initiated under this section of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements in paragraphs 83.31(2)(a) to (f) of the *Criminal Code of Canada*.

Criminal Code s.83.3 (3) – Anti-Terrorism Act

In accordance with subsection 83.3(4) of the *Criminal Code*, a peace officer who suspects, on reasonable grounds, that the detention of a person is necessary to prevent a terrorist activity, may arrest the person without a warrant.

Pursuant to subsection 83.31(3) of *the Criminal Code*, the minister responsible for policing in every province shall publish or otherwise make available to the public an annual report for the previous year on the operation of subsection 83.3 of the *Criminal Code* that includes:

- The number of arrests without warrant that were made under subsection 83.3(4) and the period of the arrested person's detention in custody in each case; and
- The number of cases in which a person was arrested without warrant under subsection 83.3(4) and was released.

Information has been received from all police services in Alberta indicating that no arrests were made under this subsection in the previous year; therefore, the report for 2015 is zero.

Criminal Code s.25.3 – Organized Crime and Law Enforcement – Designations

Section 25.3 of the *Criminal Code* provides a limited justification for otherwise illegal acts and omissions by law enforcement officers, and others acting at their discretion. An essential condition is that it can apply only to officers designated by a competent authority. In the case of municipal police services, the Minister of Justice and Solicitor General is the competent authority.

The competent authority is responsible for publishing an annual report on the designations and authorizations provided under subsections 24.1 to 25.4 of the *Criminal Code*. This report shall include information on the amount and nature of the acts or omissions committed by those officers designated under this legislation.

Alberta began designating officers under this legislation in March 2003. The designations for January 1 to December 31, 2015 include:

- Number of times that acts and omissions were committed: one;
- Nature of conduct being investigated: home invasion; and
- Nature of act or omission: Deflated tires on suspect's vehicle.

Public Interest Disclosure (Whistleblower Protection) Act

Section 32 of the *Public Disclosure (Whistleblower Protection) Act* requires the chief officer of a department to report annually on all disclosures made to the designated officer of the department, public entity or office of the Legislature for which the chief officer is responsible.

This constitutes the annual report of the chief officer of the department covering the period of April 1, 2015 to March 31, 2016.

Chief Officer Report as at March 31, 2016

In relation to the reporting requirements under section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act*, designations for April 1, 2015 to March 31, 2016 include:

- Number of disclosures of wrongdoing: zero
- Number of investigations: zero
- Reports written: zero